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FIRST REPORT OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS ON THE PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995*

* The present document is a mimeographed version of the first report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 1994-1995, which will be issued in final form as Official Records of the General Assembly, Forty-eighth Session, Supplement No. 7 (A/48/7).

ABBREVIATIONS

ACC	Administrative Committee on Coordination
ECA	Economic Commission for Africa
ECE	Economic Commission for Europe
ECLAC	Economic Commission for Latin America and the Caribbean
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
GATT	General Agreement on Tariffs and Trade
IAEA	International Atomic Energy Agency
ICJ	International Court of Justice
ICSC	International Civil Service Commission
IMIS	Integrated Management Information System
ITC	International Trade Centre UNCTAD/GATT
JIU	Joint Inspection Unit
OPS	Office for Project Services
UNCTAD	United Nations Conference on Trade and Development
UNDCP	United Nations International Drug Control Programme
UNDP	United Nations Development Programme
UNDRO	Office of the United Nations Disaster Relief Coordinator
UNEP	United Nations Environment Programme
UNFPA	United Nations Population Fund
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDIR	United Nations Institute for Disarmament Research
UNIDO	United Nations Industrial Development Organization
UNITAR	United Nations Institute for Training and Research
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNU	United Nations University
WFP	World Food Programme

PREFACE

1. The major functions of the Advisory Committee on Administrative and Budgetary Questions, as defined by the General Assembly in resolution 14 (I) of 13 February 1946, are:

> "(a) To examine and report on the budget submitted by the Secretary-General to the General Assembly;
>
> "(b) To advise the General Assembly concerning any administrative and budgetary matters referred to it;
>
> "(c) To examine on behalf of the General Assembly the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies;
>
> "(d) To consider and report to the General Assembly on the auditors' reports on the accounts of the United Nations and of the specialized agencies."

In addition, the Advisory Committee reports on administrative budgets and other matters to the governing bodies of UNDP, UNICEF, UNFPA, UNHCR (voluntary funds), UNEP (Environment Fund), the United Nations Habitat and Human Settlements Foundation, UNIDIR, UNITAR, UNU, WFP, UNDCP and UNRWA.

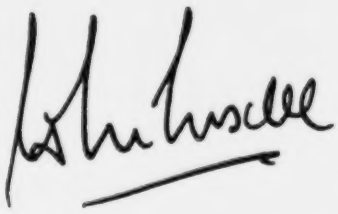
2. Under rule 156 of the rules of procedure of the General Assembly, the members of the Advisory Committee, no two of whom shall be nationals of the same State, shall be selected on the basis of broad geographical representation, personal qualifications and experience.

3. The Advisory Committee has the following membership:

H.E. Mr. C. S. M. MSELLE (Chairman)
Mr. Wolfgang MUENCH (Vice-Chairman)
Mr. Even FONTAINE-ORTIZ
H.E. Mr. Ahmad FATHI AL-MASRI
Mr. Tadanori INOMATA
Mr. Leonid E. BIDNY
Mr. M'hand LADJOUZI
Ms. Linda S. SHENWICK
H.E. Mr. E. Besley MAYCOCK
Mr. Kwaku Dua DANKWA
Mr. Zoran LAZAREVIC
Mr. Ranjit RAE
Mr. Gérard BIRAUD
Mr. Jorge José DUHALT
H.E. Mr. YU Mengjia
Mr. Clive STITT

4. The present report contains the conclusions and recommendations arrived at by the Advisory Committee on the basis of the Secretary-General's proposals for the 1994-1995 programme budget, supplemented, to the extent possible, by additional information supplied orally or in writing by representatives of the Secretary-General. As in the past, provision is made in certain sections of the

proposed programme budget for the biennium 1994-1995 for expenditures to which some Member States have objections in principle. Some members of the Committee have repeated those objections and stated their reasons therefor. At the same time, the Committee considered that the controversy concerning such items does not fall within the province of the Advisory Committee, which under rule 157 of the rules of procedure is "responsible for expert examination of the budget of the United Nations".



C. S. M. MSELLE
Chairman

Chapter I

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995

GENERAL

1. For the biennium 1994-1995, the Secretary-General proposes a programme budget 1/ in the amount of $2,749,064,000 for the expenditure sections and $520,267,800 for the income sections. On a net basis, the estimates for 1994-1995 amount, therefore, to $2,228,796,200. In the following table the estimates for 1994-1995 are compared with the revised appropriations for 1992-1993, as approved by the General Assembly in resolution 47/212 B of 6 May 1993, and with actual expenditure in the biennium 1990-1991.

1/ Official Records of the General Assembly, Forty-eighth Session, Supplement No. 6 (A/48/6/Rev.1).

(Thousands of United States current dollars)

	Estimates 1994-1995 (1)	Revised appropriation 1992-1993 (2)	Increase 1994-1995 over 1992-1993 Col. (1)-(2) (3)	Increase 1994-1995 over 1992-1993 Col. (3)/(2) Percentage (4)	Actual expenditure and income 1990-1991 (5)	Increase 1994-1995 over 1990-1991 Col. (1)-(5) (6)
Expenditure	2 749 064.0	2 467 458.2	281 605.8	11.4	2 188 370.0	560 694.0
Income	520 267.8	471 016.4	49 251.4	10.5	409 080.5	111 187.3
Net	2 228 796.2	1 996 441.8	232 354.4	11.6	1 779 289.5	449 506.7

2. In paragraph 6 of its resolution 47/213 of 23 December 1992 on the proposed programme budget outline for the biennium 1994-1995, the General Assembly invited the Secretary-General "to prepare his proposed programme budget for the biennium 1994-1995 on the basis of the total preliminary estimate provided by the Advisory Committee of 2,386,400,000 United States dollars at the initial 1992-1993 rates, to be adjusted at revised 1992-1993 rates."

3. As indicated in paragraph 66 of part one, of the proposed programme budget, the preliminary resource level approved by the General Assembly in the above-mentioned resolution for the budget outline for the biennium 1994-1995 would be $2,702,000,000 after recosting to revised 1992-1993 rates and further projected at 1994-1995 prices. The expenditure for 1994-1995 presented by the Secretary-General in the proposed programme budget for that biennium reflects an increase over the budget outline estimate of $47,064,000 or 1.7 per cent.

COMPARISON OF BUDGET OUTLINE FOR 1994-1995
WITH PROPOSED PROGRAMME BUDGET

(Thousands of United States dollars)

	Budget outline	Proposed programme budget
Initial appropriation	2 389.2	2 389.2
Provisions for revised estimates and statements of programme budget implications at the forty-seventh session	16.8	24.9
Anticipated revised appropriations	2 406.0	2 414.1
Budget growth in 1994-1995	(19.6)	25.3
Total before recosting	2 386.4	2 439.4
Recosting	53.7	53.4
Subtotal at revised 1992-1993 rates	2 439.4	2 492.8
Recosting	262.6	256.3
Total	2 702.7	2 749.1

4. The Secretary-General's programme budget proposals for 1994-1995 cover the regular budget of the Organization. The estimates of extrabudgetary resources that are likely to be available to the United Nations in the coming biennium are also given; they total $3,419,641,800, comprising $296,757,600 for support services, $240,228,800 for substantive activities and $2,882,655,400 for operational projects. The grand total, including the net estimate for the regular budget, is therefore $5,648,427,800. The estimates do not include the costs of peace-keeping operations which are funded separately. For 1992-1993, assessments on Member States in respect of these peace-keeping operations to date total $4,157,415,949.

General observations

5. The submission of the Secretary-General's proposed programme budget for 1994-1995 was delayed by seven months. According to the Financial Regulations:

> "Regulation 3.4: The Secretary-General shall, in the second year of a financial period, submit his proposed programme budget for the following financial period to the regular session of the General Assembly. This proposed programme budget shall be transmitted to all Member States at least five weeks prior to the opening of that regular session of the General Assembly.
>
> "Regulation 3.5: The Secretary-General shall, at least twelve weeks prior to the opening of the regular session of the General Assembly in the second year of a financial period, submit his proposed programme budget for the following financial period to the Advisory Committee on Administrative and Budgetary Questions (hereinafter referred to as the 'Advisory Committee') for examination."

In accordance with these requirements, the Advisory Committee therefore considers the proposed programme budget for a biennium in the spring prior to the first year of that biennium. The Advisory Committee devotes the months of May, June and part of July to hearings on the proposed programme budget and to approval of its report. The work is intensive and usually uninterrupted by other matters.

6. In 1993, the Advisory Committee was not provided with the Secretary-General's proposals in time for its spring session; the necessary documentation was however promised for July and then for August. By 5 October 1993, only the overview and 3 out of 12 parts (plus income sections) had been fully issued. Under the circumstances, on that date the Committee wrote to the President of the General Assembly that the Committee could not guarantee submission of its report, to the Fifth Committee by 15 November 1993, the date agreed upon for the start of that Committee's deliberations on the proposed programme budget. The Advisory Committee had to carry out its work under difficult circumstances, with only limited conference services available prior to 25 October, as a result of cost-savings measures announced by the Secretary-General at the end of August.

7. The Committee urges most strongly that measures should be taken to prevent a recurrence of this unacceptable situation and to ensure full compliance with the Financial Regulations. The Committee is also of the belief that the Secretary-General should review the instructions communicated to various programme managers for the preparation of the programme budget to ensure that concepts are clear and that the use of terminology is consistent.

8. The present first report by the Advisory Committee on the proposed programme budget for 1994-1995 differs from its reports on the proposed programme budget for previous bienniums. It is considerably shorter, bearing in mind the limited time available to write and produce it. In its condensed form, much of the cross-reference to and summary of the Secretary-General's proposed programme budget has been eliminated and the narratives in Chapter II have been grouped by budget part, with the usual recapitulation of budget proposals and recommended reductions at the beginning and end of each section being omitted.

9. Further complicating the consideration of the proposed programme budget has been the extremely late submission of a number of reports by the Secretary-General which, if approved, could have an important impact on the budget. Among these are reports on high-level posts (A/C.5/48/9); special representatives, envoys, and related positions (A/C.5/48/26); progress report on IMIS

(A/C.5/48/12), telecommunications (A/C.5/48/11) and a further report on the integration of OPS (A/48/502/Add.1 and 2). None of these lengthy and complicated reports was received by the Committee, even in advance form, before 15 November. A number of them change proposals and/or assumptions already contained in the proposed programme budget and which the Committee had already taken valuable time to consider. Bearing in mind the urgent need to finalize the first report on the proposed programme budget for 1994-1995 for submission to the Fifth Committee, the Advisory Committee intends to report separately on such submissions as it may receive.

10. A number of other reports and studies mentioned by the Secretary-General in the introduction to the proposed programme budget remain to be submitted. For example, proposals are to be submitted to the General Assembly on the distribution of responsibilities and resources regarding energy and natural resources. In accordance with the provisions of paragraphs 8 to 10 of General Assembly resolution 47/212 B II, revised proposals are still awaited reflecting any new arrangements for the functioning of liaison offices at headquarters and a review of administrative services at Nairobi, Geneva and Vienna will be submitted to the Assembly only at its forty-ninth session.

11. Aside from the problems the Advisory Committee had with late or unavailable documentation, in a number of instances it was clear that much of what had been submitted in the proposed programme budget was incomplete. For example, the Committee points out in chapter II below that part IV of the proposed programme budget should have demonstrated how the proposed changes would, in fact, better enable the Secretariat to respond to the relevant intergovernmental decisions, particularly General Assembly resolution 41/213 and to the programme mandates entrusted to it by the Member States, and how the restructuring of international cooperation for development would achieve a more responsive, cost-effective, streamlined Secretariat.

12. The Advisory Committee notes that, in a number of programmes, it is possible that the mandates relating to certain policy-making organs and the substantive activities undertaken under their direction will be terminated or substantially changed during the biennium 1994-1995. In such circumstances, the Committee is of the opinion that the Secretary-General should report as soon as possible on the use of any resources no longer required for their original purpose.

13. The Advisory Committee recalls that the proposed programme budget was to be prepared taking into account, in particular, the relevant provisions of General Assembly resolutions 47/212 A and B, 47/213 and 47/214. The Advisory Committee found that a number of the proposals contained in the proposed programme budget have not been adequately explained and justified by reference to existing legislative mandates, including the medium-term plan. The lack of a legislative basis for a number of the Secretary-General's proposals caused the Committee a great deal of difficulty in making recommendations on a number of the proposals of the Secretary-General.

14. In this connection, the Committee notes the statement in paragraph 8 of the introduction to the proposed programme budget that "Progressively, the programme budget should become an instrument through which Member States and the Secretary-General express the policies of the Organization and the changes in the structures and modes of operations of the Secretariat justified by changing circumstances and the search for greater efficiency." The Advisory Committee points out that the mandates, policies and priorities of the Organization are set by its legislative organs. As such, the Secretary-General's proposals for the programme budget should be limited to the full implementation of the

mandates, policies and priorities previously established by the General Assembly and other competent intergovernmental organs.

15. The Committee regrets that, in a number of sections of the proposed programme budget, the relationship between the content of a number of programmes and subprogrammes of the medium-term plan and the content of the programme budget was unclear. In a number of cases, for example in programme 11 of the revised medium-term plan, 2/ with regard to the various functions previously carried out by the Director-General for Development and International Economic Cooperation, it is impossible to know how these mandated responsibilities are implemented in the present structure and how their implementation is funded. The Committee recommends that, for its consideration of the programme budget, the General Assembly be given comprehensive and precise explanations in this respect for each section of the proposed programme budget.

16. The Advisory Committee recalls the provisions of resolution 45/248 B VI, in which the General Assembly:

> "1. Reaffirms that the Fifth Committee is the appropriate Main Committee of the General Assembly entrusted with responsibilities for administrative and budgetary matters;
>
> "2. Reaffirms also the role of the Advisory Committee on Administrative and Budgetary Questions;
>
> "3. Expresses its concern at the tendency of its substantive Committees and other intergovernmental bodies to involve themselves in administrative and budgetary matters;
>
> "4. Invites the Secretary-General to provide all intergovernmental bodies with the required information regarding procedures for administrative and budgetary matters."

17. In addition to problems relating to mandates, the Advisory Committee also experienced considerable difficulty in tracking the movement of posts so as to achieve a clear picture of the composition of posts in the base as well as the origin of posts shown as "new". Since the initial approval of the 1992-1993 programme budget, there have been numerous movements within and between sections as the result of the two phases of the restructuring that have already taken place and the redeployment of vacant posts to and from a "vacancy pool". In this connection, the Advisory Committee points out that the table provided following paragraph 81 of the introduction to the proposed programme budget does not provide a proper analysis of these movements, nor is there sufficient narrative discussion or analysis either in part I or in the sections themselves of this very important aspect of the 1994-1995 proposed programme budget. The Advisory Committee sought and received additional information to explain the post situation in each section. Nevertheless, the Committee found that, in a number of instances, it was impossible to reconcile the different sets of information from the various sections.

18. In this connection, the Advisory Committee points out that, in the presentation by the Secretary-General, the Secretariat has not clarified the nature of "additional posts". The Committee points out also that, when a post is transferred from one section of the budget to another, that post is new to the receiving section, even if not additional to the staffing table as a whole.

2/ Ibid., Forth-seventh Session, Supplement No. 6 (A/47/6/Rev.1).

It is therefore important to be able to distinguish on the one hand between changes to the 1992-1993 staffing table resulting from General Assembly resolutions 47/212 A and B and those relating to the treatment of vacancies and on the other hand proposals for the creation of new posts presented for the first time in the budget estimates.

19. The introduction to the proposed programme budget also contains little or no reference to the vacancy management system referred to by the Secretary-General in his revised estimates for 1992-1993 (A/C.5/47/2 and Corr.1 and A/C.5/47/88). The Advisory Committee made extensive comments on the Secretary-General's vacancy management proposals in its report on the revised estimates for 1992-1993 (A/47/7/Add.1, paras. 17-24). The matter was again addressed by the Advisory Committee in its report on the second phase of restructuring (A/47/7/Add.15): in paragraph 36 of that report, the Advisory Committee stated:

> "Representatives of the Secretary-General stressed that the redeployment of these posts was temporary and if it were determined that the redeployment was needed for a longer period, the authority of the General Assembly and/or the Advisory Committee would be sought, in conformity with the relevant financial provisions. In this connection, the Committee recalls that in its report, it noted the Secretary-General's explanation that the authority for most transfers was currently done on an ex post facto basis; however, it would be his intention to apply the provisions of financial regulation 4.5 and rule 104.4 to ensure the meaningful involvement of the Assembly or the Advisory Committee regarding the transfer of resources/posts during the execution of a programme budget (para. 20). During the course of the Committee's examination of the Secretary-General's current report, representatives of the Secretary-General reiterated to the Committee their intention to report to it at six-monthly intervals regarding the status of the posts that had been temporarily redeployed among sections. While welcoming the intention, the Committee requests that such reporting should include programmatic justifications for the redeployment and be submitted not only to it but also to the relevant intergovernmental bodies for their information as appropriate."

20. The report of the Advisory Committee quoted above was submitted to the General Assembly and approved by it by paragraph 2 of resolution 47/212 B I in March 1993. Since that time, nothing has been reported to the Committee or to the General Assembly on the movement of posts to and from the vacancy pool. Given the confusion that now exists in attempting to understand fully the staff situation of the Organization as reflected in the proposed programme budget for 1994-1995, the Advisory Committee recommends that the Financial Regulations, which accord the Secretary-General the necessary flexibility in the management of the staff, should be adhered to. When the movement of a post represents the transfer of resources between appropriation sections, the prior concurrence of the Advisory Committee must be sought. As has been pointed out before, this concurrence can be sought at any time throughout the year and procedures are in place to ensure a quick response from the Committee.

21. The Advisory Committee is also of the opinion that urgent thought should be given to the implications of the proposed structure of the budget on the management of resources, including staff resources, in view of the wide disproportion between the sizes of the appropriation sections. The Committee points out that the consolidation of independent sections (as in the 1992-1993 budget) into significantly larger appropriation sections has resulted in a wide variation in the sizes of budget sections, and has provided considerably greater flexibility. The Committee points out the need for establishing the underlying rationale and criteria for the establishment of separate sections. In this

connection, in addition to consideration of economies of scale, the size of resources and need to maintain the independence of different organizational units should be some of the elements that should be taken into account.

Format and methodology

22. The proposed programme budget 1994-1995 is presented in a new format. The Secretary-General initially presented a prototype of a new budget format in document A/C.5/47/3. In its related report (A/47/7/Add.9), the Advisory Committee requested that the Secretary-General ensure that:

> "Part I of the new proposed programme budget is clear and concise. In other words, as outlined in paragraphs 5 and 6 of his report, that part of the new budget document should provide an overview rather than technical information, with a limited number of tabular annexes."

The Committee also suggested that:

> "the annexes to both parts of the new document as currently proposed be re-examined with a view not only to simplifying the annexes but also, particularly as regards part II of the document, to determining which annexes should be retained. In the opinion of the Advisory Committee, some of the annexes as envisaged may prove to be too technical for the general user and/or superfluous; some of them could be provided separately for the use of the Advisory Committee and the Committee for Programme and Coordination."

23. The Advisory Committee notes the efforts made thus far in transforming the proposed programme budget document into an effective vehicle for analysis and decision-making in the General Assembly. However, a lot remains to be done. In particular, part I should evolve into a self-contained document upon which the General Assembly could take decisions; as it is now, it is merely an extended version of the former introduction. The amount of statistical information contained in part I should be simplified and reduced. Furthermore, the main emphasis in part I should be on the narrative, which needs to be more specific so as to facilitate decision-making. Part II should become more analytical in order to provide relevant detail as needed in support of the specific proposals in part I. In particular, part II should contain a complete set of organigrams for each organizational unit. Some of the terminology also needs to be clarified; for example, it might avoid confusion with the parts of the budget if part I and part II were called volume I and volume II, respectively.

24. The methodology employed in the preparation of the proposed programme budget is described in paragraphs 89 to 97 of part I. The Advisory Committee has not had the necessary time to evaluate the changes made and intends to revert to the matter at the earliest opportunity.

25. The proposed programme budget for 1994-1995 is clearly a transitional budget from the methodological point of view. For that reason and because of the adjustments described in paragraphs 92 to 95 of the introduction to the proposed programme budget, the Advisory Committee believes that it is difficult to make meaningful detailed comparisons between the current biennium and 1994-1995. For example, as described in paragraph 92 of part I, the delayed impact of new posts from the 1992-1993 budget has been included in the resource growth of staff costs for 1994-1995. Thus, while the actual level of staff resources may have remained the same, resource growth is still shown; this is misleading.

26. These anomalies, produced by the transitional nature of the budget, will however disappear in the 1996-1997 proposed programme budget, thus allowing a detailed comparative analysis.

27. The Advisory Committee points out that, as a result of the changes in methodology used in these estimates, the rates of growth shown in the 1994-1995 proposed programme budget are not directly comparable with rates of "real growth" shown in previous budgets. In particular, there are major changes in the treatment of capital and other non-recurrent expenditures. The Secretariat was requested to provide an analysis of what real growth would have been if that methodology had been used in the preparation of this budget. As of this date, the Advisory Committee has not received a reply. According to the new methodology, the growth is calculated by the Secretary-General at 1 per cent. The Advisory Committee, however, points out that, if the General Assembly approves additional non-recurrent expenditure for 1994-1995, the growth, according to the new methodology, might be higher than 1 per cent.

28. The Committee notes that, in terms of the presentation of the budget, the expenditure tables have been simplified and objects of expenditure have been regrouped into 10 categories based on the classification of ACC. The Committee welcomes this improvement. At the same time, the Committee believes that, in future bienniums, staff costs should be divided into two categories, one indicating costs related to posts and the other indicating costs related to other staff costs such as temporary assistance. Similarly, a distinction should be made between costs for equipment and for furniture.

29. On the basis of its detailed observations and recommendations in the paragraphs below and in chapter II of the present report, the Advisory Committee recommends reductions totalling $186,473,800 in the expenditure estimates (of which $10,394,900 is provisional) and a net reduction of $44,890,100 in the estimates of income. The reductions are summarized by sections in the tables at the end of the present chapter. A large number of the recommendations for reductions against individual sections in chapter II are as a consequence of the general recommendations made in chapter I. However, these general recommendations have, either in whole or in part, not been applied to the United Nations integrated offices (section 2), the Department for Development Support and Management Services (section 10), the regular programme of technical cooperation (section 20) or the regional commissions. As shown in chapter II below, the Advisory Committee has recommended provisional deletion of the entire amount for section 2 pending action by the General Assembly on the question of integrated offices. As for section 20, the Advisory Committee has traditionally transmitted this estimate for action by the General Assembly. The Advisory Committee has recommended a provisional appropriation at the "biennialized" base in respect of section 10 and will take up the matter of general reductions to be applied at such time as it reconsiders the estimate for this section. As for the regional commissions, the Advisory Committee believes that general reductions for travel and equipment should not apply in view of the high cost of travel and procurement difficulties for the acquisition of furniture and equipment at the regional commissions.

ANALYSIS OF THE EXPENDITURE ESTIMATES FOR 1994-1995

30. As noted in paragraph 1 above, the expenditure estimates for 1994-1995 amount to $2,749,064,000, as compared with revised appropriations of $2,467,458,200 for 1992-1993 approved by the General Assembly in resolution 47/212 B of 6 May 1993. This represents an increase in nominal terms of $281,605,800 or 11.4 per cent, and compares with a nominal increase of $228,905,600 or 10.7 per cent, for the initial estimates for 1992-1993 over the

revised estimates for the biennium 1990-1991. Annex I to the introduction to the proposed programme budget for the biennium 1994-1995 indicates a rate of growth of resources of 1 per cent. On the extrabudgetary side, table 1 of the overview tables shows a decrease of 8 per cent; however, the forecast of $3,419.6 million for 1994-1995, when compared with the initial forecast of $3,083.6 million for 1992-1993, shows an increase of 10.9 per cent in nominal terms. In view of the uncertainty of this estimate, the Advisory Committee requests an update of this information at the earliest opportunity.

31. The calculation of the level of the proposed programme budget 1994-1995 shown in paragraph 68 of part I (A/48/6) is reproduced below:

	United States dollars	Percentage
1992-1993 appropriation	2 467 458 200	100.0
Budgetary growth (at current rate):		
New added provisions	23 686 200	
Provision for biennialization (cost differentials)	1 638 000	
Subtotal	25 324 200	1.0
Provision for recosting, i.e., exchange rate adjustment of 1993 over 1992 and projected inflation in 1993, 1994 and 1995	256 281 600	10.4
Proposed programme budget for 1994-1995	2 749 064 000	111.4

32. The amount for new added provisions is broken down in paragraph 69 of part I of the proposed programme budget. The Committee was informed that adjustments made subsequently in the context of preparing detailed proposals under the individual sections of the budget led to a revision of the figures for recurrent and non-recurrent provisions, but not to the recalculation of the total amount of the budget. The revised breakdown of new added provisions, still amounting to $23,686,200 as shown in part I, is as follows:

	United States dollars
Non-recurrent provisions in 1992-1993	(155 343 600)
Non-recurrent provisions in 1994-1995	102 535 600
Delayed impact relating to new posts in 1992-1993	5 024 600
New recurrent provisions in proposed programme budget	71 469 600
Total	23 686 200

The Committee's observations on the elements comprising the 1994-1995 expenditure estimates, as shown above, are given below.

Adjustment for transfers

33. The proposed programme budget contains an amount of $1,638,000 as a one-time adjustment representing a net increase shown in table 2 of part one of the proposed programme budget under transfers between sections. The transfers were as the result of the movements of units and posts during the restructuring. The net increase is mainly the result of transfers of posts from lower-cost duty stations to higher-cost duty stations following approval by the General Assembly of the Secretary-General's revised estimates in the 1992-1993 biennium.

34. By approving those revised estimates, the General Assembly also approved the transfer of 77 posts to New York as follows: from Vienna, 51; from Rome, 24; and from Geneva, 2. In addition, the General Assembly approved the transfer from New York of 44 posts to Geneva, 16 to Vienna and 1 to Santiago. The net results were as follows:

	Increases		Decreases	
	P	GS	P	GS
New York	3	13	-	-
Geneva	27	15	-	-
Rome	-	-	11	13
Vienna	-	-	20	15
Santiago	1	-	-	-

35. The increase in dollar terms for a full two-year period has been calculated at $2,263,800. However, the process of biennialization involves the elimination of a total of $625,800 in the revised appropriation to cover the partial requirements in the offices of origin during 1992-1993, which is then more than offset by an increase that results from making provision in the amount of $2,263,800 for a full two-year cost in the receiving sections. The net increase is $1,638,000.

Proposed recurrent growth

36. The estimates shown under "recurrent growth" in the proposed programme budget, at revised 1993 rates, show an increase of $71,469,600. A breakdown by object of expenditure shows the following increases and decreases:

		Thousands of United States dollars	
1.	Increases		
	Salaries and common staff costs	14 643.0	
	Acquisition of furniture and equipment, supplies and materials	4 704.2	
	General operating expenses	14 662.6	
	Printing and contractual services	5 738.6	
	Training	4 613.8	
	Travel	5 686.0	
	Temporary assistance and other staff costs	20 609.4	
	Consultants and ad hoc expert group meetings	1 790.0	
	Subtotal (1)		72 447.6
2.	Decrease		
	Joint activities, fellowships and others	(978.0)	
	Subtotal (2)		(978.0)
	Total (1) - (2)		71 469.6

37. The increase for salaries and common staff costs relates to posts and common staff costs ($13,623,900) and other common staff costs ($1,019,100).

38. As regards "other common staff costs", the Advisory Committee was informed that the net amount of $1,019,100 is composed of the following:

Other common staff costs

	Thousands of United States dollars
After-service medical coverage	1 108.1
Insurance of staff	600.0
Daily mission subsistence allowance	(990.6)
Transfer	5.0
Pension for former ICJ Judges	102.9
Compensation	(5.7)
Retirement allowance for former Secretaries-General	199.4
Total	1 019.1

The Committee intends to revert to the question of common staff costs and "other common staff costs" at the earliest opportunity.

39. The increase of $4,704,200 for acquisition of furniture and equipment, supplies and materials reflects additional requirements of $405,000 for supplies and materials and $4,299,200 for furniture and equipment. The increase under furniture and equipment is attributable to office furniture and equipment, $236,400; data-processing equipment, $783,200; transportation, $726,500; acquisition and replacement of office automation equipment, $2,681,300; and acquisition and replacement of software packages, $168,200. This increase was partially offset by a decrease of $296,400 in other equipment.

40. The increase of $14,662,600 under general operating expenses includes partial increases broken down as follows: rental and maintenance of premises, $10,477,200; utilities, $202,800; communications, $1,229,400; hospitality, $17,500; and rental and maintenance of furniture and equipment, $3,520,800. These are partially offset by a decrease of $785,100 in miscellaneous services. The Advisory Committee believes that prudent management can result in economies in the acquisition of furniture and equipment and in general operating expenses, especially with regard to acquisition, rental, maintenance and replacement of equipment. The Advisory Committee also believes that a review should be undertaken of current unit "reference" prices and of the current policy for replacement cycles; proposals should be made to the General Assembly through the Advisory Committee by the spring of 1994. These proposals should include specific information on unit prices and the related quantities purchased by duty station, as well as the modalities of extending the replacement cycle beyond five years. The Advisory Committee therefore recommends a general reduction of $4.8 million.

41. The increase of $4,613,800 shown for training corresponds to a total of $4,813,200 for other specialized training, which is partially offset by a proposed decrease of $199,400 in language training.

42. The net increase of $5,686,000 for travel reflects additional requirements as follows: $3,292,100 relating to travel of representatives; $497,900 for

travel of staff to meetings; and $1,896,000 for other official travel. In addition, considerable resources for travel of staff are available from extrabudgetary funds. For example, the interim financial statements for the 12-month period of the biennium 1992-1993 ended 31 December 1992 shows an amount of $11.7 million for travel in connection with technical cooperation activities (statement VI); travel financed by selected trust funds amounted to $1.7 million (schedule 7.1.1); and travel financed by special accounts for programme support costs totalled more than $1 million in 1992 (statement XII). The above figures total $14.4 million for one year; on this basis, the biennial total would be more than $28 million. The Committee points out that deductions for non-attendance or late attendance at meetings have not been taken into account in calculating the costs of travel to meetings. Under the circumstances, the Committee recommends a general reduction of $3 million for 1994-1995 under travel. The Advisory Committee has consistently called for strict controls on travel. After its consideration of the budget estimates, the Advisory Committee believes that further economies may be possible and will revert to this matter in the spring of 1994.

43. The increase of $5,738,600 in printing and contractual services reflects additional requirements of $6,338,100, distributed as follows: $817,100 for translation; $739,900 for printing exempt from Publication Board approval; $966,700 for public information; $785,800 for data-processing; $45,000 for honorariums and $2,983,600 for other specialized services. These increases are partially offset by a reduction of $599,500 in relation to printing resources administered by the Publication Board.

44. The increase of $20,609,400 under temporary assistance and other staff costs is the net result of partial increases as follows: general temporary assistance, $10,221,800; temporary assistance for meetings, $5,672,100; overtime and night differential, $797,400; and staff assessment, $5,571,800. These are offset by decreases amounting to $1,653,700 in other personnel services.

45. The increase of $1,790,000 for consultants and ad hoc expert group meetings is broken down as follows: consultants, $1,028,100; and ad hoc experts, $761,900.

46. The reduction of $978,000 in joint activities, fellowships and others comprises increases of $355,400 for jointly financed activities and $1,819,300 for fellowships, offset by decreases of $736,600 for seminars and $2,416,100 for contributions to joint services.

Non-recurrent items

47. Non-recurrent items in 1994-1995 are estimated at $102,535,600 at revised 1992-1993 rates. The total for 1994-1995, including inflation, is $108.3 million, as follows:

	Millions of United States dollars
Meeting of policy-making organs	1.5
Special conferences	5.8
Equipment	12.2
Construction and alterations and improvements	52.3
IMIS	12.8
Separation costs under special expenses	5.8
Other	17.9
Total	108.3

The Committee points out that the classification of non-recurrent items has changed under the new methodology; in this regard, the Committee has noted a number of inconsistencies. The major non-recurrent provisions requested for the biennium 1994-1995 consist of $52.3 million for construction and alterations and improvements, as detailed in section 30 of the proposed programme budget. Another $25 million relates to acquisition of equipment ($12.2 million) and modernization of the administrative systems of the Organization (IMIS, $12.8 million - section 30) and $7.3 million is for meetings of policy-making organs and special conferences. A special provision of $5.8 million is proposed to cover separation costs of staff under section 27, special expenses. The remaining $17.9 million is distributed among the other sections of the budget to provide for activities not expected to continue beyond 1993.

Recosting

48. The total estimate under recosting is $256,281,600, of which $5,507,800 relates to non-recurrent items. The results of recosting represent adjustments to the estimates at revised 1992-1993 rates in order to recalculate the level of resources at 1994-1995 price levels. The total amount that results from recosting represents 10.4 per cent of the revised 1992-1993 appropriation. Projections of rates of exchange and inflation are contained in annex II to part I of the proposed programme budget. The three elements in recosting are:

	United States dollars
Converting first year provision from 1992 exchange rates to 1993 exchange rates	(22 205 300)
Inflation in 1993	75 862 000
Inflation in 1994 and 1995	202 624 900
Total	256 281 600

49. In accordance with the United Nations Financial Regulations, the report of the Advisory Committee on the Secretary-General's proposed programme budget is normally prepared in the spring preceding the biennium to which the proposed programme budget relates. Towards the end of that year, the Secretary-General traditionally submits revised estimates resulting from the effect of changes in rates of exchange and inflation. These revised estimates are usually based on

December rates and are submitted towards the close of the consideration of the proposed programme budget by the Fifth Committee.

50. The proposed programme budget for 1994-1995 has been submitted on an entirely different schedule and the related report of the Advisory Committee will not be circulated to the Fifth Committee until early December. Under the circumstances, and in an effort to facilitate and expedite the work of the Fifth Committee, the Advisory Committee has requested recosting information based on the latest available rates for exchange and inflation (November) and the average for 1993. Both sets of rates indicate a significant improvement in inflation projections at most duty stations, including New York, as well as a considerable strengthening of the dollar against other currencies used by the United Nations. The November rates, which are shown in the following table, are in fact lower than the average for 1993, which suggest a continuing trend into the coming biennium. Based on the November rates, the Committee recommends that the expenditure estimates for recosting be reduced by $92,649,000.

Main duty station (currency)	Rates of exchange		Average annual rates of inflation (percentage)			
	1994-1995 initial estimates	Recosting (November 1993)	1994-1995 initial estimates		Recosting	
			1994	1995	1994	1995
New York (United States dollars)	-	-	3.7	3.7	3.0	3.0
Geneva (Swiss francs)	1.44	1.49	3.4	3.4	4.0	4.0
Vienna (schillings)	11.30	11.70	3.6	3.6	3.4	3.4
The Hague (Netherlands guilders)	1.80	1.88	3.7	3.7	2.1	2.1
Bangkok (baht)	25.30	25.30	5.0	5.0	4.0	4.0
Santiago (Chilean pesos)	375.00	410.00	15.6	15.6	10.0	10.0
Mexico (Mexican pesos)	3 100.00 a/	3 100.00 a/	17.1	17.1	8.0	8.0
Addis Ababa (birr)	5.00	5.05	8.9	8.9	4.7	4.7
Nairobi (Kenyan shillings)	35.70	69.20	15.0	15.0	10.0	10.0
Baghdad (Iraqi dinars)	0.31	0.31	9.9	9.9	5.0	5.0
Rome (lire)	1 390.00	1 605.00	3.3	3.3	4.4	4.4
Kingston (Jamaican dollars)	22.00	26.90	30.0	30.0	5.0	5.0
Port-of-Spain (Trinidad and Tobago dollars)	4.25	5.63	7.7	7.7	9.4	9.4
Jordan (dinars)	0.68	0.69	9.9	9.9	5.0	5.0
Lebanon (pounds)	1 870.00	1 740.00	20.4	20.4	5.0	5.0
UNTSO (Israel) (new shekels)	2.67	2.83	9.7	9.7	10.0	10.0
UNMOGIP (India) (rupees)	28.80	31.2	18.3	18.3	10.0	10.0
UNRWA field b/	-	-	3.7	3.7	5.0	5.0
UNHCR field b/	-	-	3.7	3.7	5.0	5.0
United Nations information centres b/	-	-	3.7	3.7	10.0	10.0

a/ New peso rate is 3.1 to one United States dollar.

b/ Combined effect of inflation and exchange rate changes.

PROPOSED ALLOCATION OF RESOURCES IN 1994-1995

51. The distribution of the expenditure estimates for the biennium 1992-1993 by main field of activity is indicated below:

PROPOSED ALLOCATION OF RESOURCES IN 1994-1995

	Parts	Revised appropriation 1992-1993		Proposed programme budget 1994-1995	
		Thousands of United States dollars	Percentage	Thousands of United States dollars	Percentage
I.	Overall policy-making direction and coordination	34 290.9	1.4	45 824.2	1.7
II.	Political affairs	168 504.5	6.8	165 757.2	6.0
III.	International justice and law	50 005.5	2.0	53 725.6	2.0
IV.	International cooperation for development	327 801.6	13.3	314 045.2	11.4
V.	Regional cooperation for development	282 545.6	11.5	373 423.9	13.6
VI.	Human rights and humanitarian affairs	100 997.3	4.1	128 770.1	4.7
VII.	Public information	111 842.0	4.5	135 789.1	4.9
VIII.	Common support services	843 828.3	34.2	927 013.5	33.7
IX.	Special expenses	47 661.7	1.9	64 714.6	2.4
X.	Staff assessment	401 130.6	16.3	448 196.9	16.3
XI.	Capital expenditures	98 850.2	4.0	91 803.7	3.3
	Total expenditures	2 467 458.2	100.0	2 749 064.0	100.0

52. The table above covers the expenditure estimates in their entirety. Excluding the cost of miscellaneous expenses such as capital expenditure and staff assessment, the comparative share, in percentage terms, of the major programmes between the 1992-1993 revised appropriation and the 1994-1995 proposed programme budget is as follows:

	Revised appropriation 1992-1993	Proposed programme budget 1994-1995
A. Overall policy-making	1.7	1.8
B. Executive direction and management	5.0	5.3
C. Programme of activity		
I. Political affairs	7.3	5.7
II. International justice and law	1.2	1.2
III. International cooperation for development	13.4	11.0
IV. Regional cooperation for development	7.7	9.9
V. Human rights and humanitarian affairs	3.6	4.1
VI. Public information	5.3	5.1
VII. Common support services	42.3	41.8
Activities not included in the medium-term plan a/	1.1	1.4
Total C	81.9	80.2
D. Other activities b/	11.4	12.7
Total	100.0	100.0

a/ Includes ICJ, special meetings and joint activities, not programmed in accordance with the medium-term plan.

b/ Includes all costs of departmental administration and support, including the regional commissions and other offices away from headquarters, as well as special expenses.

53. The Advisory Committee, recalling the priorities determined by the medium-term plan and referred to in the outline, believes there is the need for further explanation of the rationale for the proposal of resources in the programme budget for 1994-1995.

PERSONNEL MATTERS

54. The staffing resources available for carrying out the work programme of the Organization include established posts, temporary posts, temporary assistance, consultants and ad hoc expert groups; these resources are financed from the regular budget and from extrabudgetary funds.

55. As shown in annex IV to the introduction to the proposed programme budget, the Secretary-General estimates salaries and common staff costs (excluding staff assessment) at $1,725,368,800 under the expenditure sections for 1994-1995. If one adds to that the estimate of $20,857,800 (net of staff assessment) for income section 3, the total is $1,746,226,600.

56. In annex V (a), part 1, to the introduction to the proposed programme budget the Secretary-General estimates at $227,511,600 salaries and common staff costs of extrabudgetary staff charged to support services. In annex V (a), part 2, the total extrabudgetary resources for substantive activities (excluding operational projects) are estimated at $240,228,800. The personnel costs component is not shown. However, as personnel costs account for approximately 75 to 80 per cent of total expenditures, some $180 million of that amount would be spent on personnel. It can thus be said that, as an approximation, personnel costs to be financed from the regular budget (excluding staff assessment) and extrabudgetary resources (excluding operational project costs) would amount to at least $2,153,738,200 in 1994-1995.

57. The Advisory Committee notes that a recruitment freeze has been in effect since February 1992 "to facilitate the overall review of the staffing and organizational structures of the departments and offices that were being consolidated" (A/C.5/47/2, para. 20). Given the expanding responsibilities of the Organization, the strain this has placed on existing staff resources and the numerous exceptions that have been made, the Advisory Committee is of the opinion that the freeze should end. In this regard, the Committee expects that this will be done with due regard to the optimal use of existing resources.

58. The Committee notes that the proposed structure of the Secretariat, including the three new departments and UNCTAD, has a large number of senior posts. The Committee recommends that the staffing structure of the Secretariat be kept under review with a view to ensuring a proper balance between senior and junior posts.

59. In a number of cases, the Committee has found what appears to be a high proportion of support staff in relation to Professional staff, especially in view of the technological innovations that have been and are being introduced. The Advisory Committee requests the Secretary-General to review this matter and to provide an analysis and proposals for appropriate ratios of the categories of staff, taking into account enhanced productivity derived from technological innovations. In this connection, the Committee stresses the need for adequate training of the staff so that full use can be made of automated services. Measures that are being taken to ensure this should also be mentioned in the report of the Secretary-General.

Regular budget established and temporary posts

60. Under the expenditure sections and income section 3 of the proposed programme budget for the biennium 1994-1995, the Secretary-General requests a total of 10,171 posts. In the following table, the request for 1994-1995 is compared with the approved staffing table for 1992-1993:

Regular budget established and temporary posts

	Professional category and above			General Service and other categories			Total		
	1994-1995	1992-1993	Increase (decrease)	1994-1995	1992-1993	Increase (decrease)	1994-1995	1992-1993	Increase (decrease)
Established posts	3 903	3 842	61	6 220	6 188	32	10 123	10 030	93
Temporary posts	15	35	(20)	33	38	(5)	48	73	(25)
Total	3 918	3 877	41	6 253	6 226	27	10 171	10 103	68

The specific recommendations of the Advisory Committee on the Secretary-General's proposals for new posts are contained in chapter II below. The difficulties encountered by the Advisory Committee in analysing these requests are referred to under general observations above.

61. The Committee recommends that the priority should be given to the placement of supernumeraries to fill vacant posts and/or to benefit from training facilities and requests the Secretary-General to report to the General Assembly through the Advisory Committee on ways and means of solving the problem of supernumeraries.

62. The Secretary-General proposes 39 upward and 3 downward reclassifications in the Professional and higher categories (including income section 3) as follows:

Upward reclassifications	Downward reclassifications
2 D-1 to D-2	1 D-2 to D-1
7 P-5 to D-1	1 D-1 to P-5
7 P-4 to P-5	1 P-4 to P-3
5 P-3 to P-4	
10 P-2 to P-3	
8 General Service to P-2	

63. The Committee found, in a number of instances, almost no analysis or justification for the proposed reclassifications. The Committee points out, as it has in the past, that reclassifications come about as the result of a change in the nature of the responsibilities of a particular post; reclassifications should not be seen as a vehicle for promoting an incumbent. The Committee was informed that the internal classification review process had not been completed in respect of a number of the proposed reclassifications. In view of the massive redeployments and the restructuring that has taken place, the Committee is of the opinion that any consideration of reclassifications of these posts in the Professional category and above be deferred until they can be considered by the Advisory Committee on the basis of a resubmission from the Secretary-General that would contain adequate justification. The Committee emphasizes that any proposal in this regard should be submitted by the spring of 1994 and should be the result of a completed internal review process. It is the intention of the Advisory Committee to take up the matter on the basis of the resubmission of the Secretary-General and to report to the General Assembly at its resumed forty-eighth session.

64. The percentage of distribution of established posts by grade in the Professional and higher categories proposed by the Secretary-General for 1994-1995 is compared with the initial 1992-1993 appropriation as follows:

Professional and higher categories	1994-1995	1992-1993 a/
USG/ASG a/	0.9	1.2
D-2	2.1	2.2
D-1	7.3	7.1
P-5	17.7	17.5
P-4	29.6	29.7
P-3	28.5	28.2
P-2/1	13.9	14.1
Total	100.0	100.0

a/ Includes 1 post at the Director-General level.

65. As in past bienniums continuing Professional posts have been costed at 95 per cent in recognition of a projected overall vacancy factor of 5 per cent. The Committee inquired into the current vacancy situation and was informed that, as at September 1993, it stood at 7.6 per cent with an average of 7.9 per cent for 1993. Under the circumstances, the Committee recommends that the vacancy factor be increased to 6 per cent, with a consequential reduction of $13,181,900 in the expenditure estimates for 1994-1995.

66. General Service posts have been costed with a continuing vacancy factor of 0.5 per cent. In the light of current vacancy trends (1.6 per cent as at September with an average of 1.2 per cent for 1993), the Advisory Committee does not recommend any reduction at this time.

67. The Committee was informed that new posts have been costed on a 24-month basis (at 95 per cent for Professionals and 99.5 per cent for General Service), thus eliminating the traditional 50 per cent reduction for new Professional posts and 35 per cent for new General Service posts. While such an innovation may make sense for the simplification of the methodology of the calculation of growth, it does not accurately reflect actual budgetary requirements. In the opinion of the Advisory Committee, the traditional delayed recruitment reductions accurately reflected the usual delays in the filling of new posts and the related budgetary requirements. The Advisory Committee therefore recommends reinstitution of the delayed recruitment factors for both Professional and General Service posts, with a consequential reduction of $5,443,400 under the expenditure sections ($4,255,400 net). These reductions have been reflected in the relevant sections as part of the reduction shown under the "other" column in table 1 below.

Extrabudgetary posts

68. The numbers and grades of posts anticipated during 1994-1995 for extrabudgetary support services are provided in annex V (b) to the introduction to the proposed programme budget. The Committee was informed that it was estimated that extrabudgetary resources in 1994-1995 would finance a total of 5,200 posts for support services and substantive activities (including posts financed from operational funds posted at established United Nations offices, and posts financed from the support account for peace-keeping operations, but excluding local staff of UNRWA). The following table provides a breakdown of these posts by grade and compares the estimated total for 1994-1995 with the total number of those posts in 1992-1993:

EXTRABUDGETARY POSTS

Grade	1994-1995 Support services	1994-1995 Substantive activities	1994-1995 Operational activities	1994-1995 Total	1992-1993	Change
Professional and above						
ASG	2	-	-	2	2	-
D-2	15	4	24	43	34	9
D-1	47	8	59	114	108	6
P-5	81	24	192	297	230	67
P-4	152	23	319	494	390	104
P-3	143	27	527	697	426	271
P-2/1	39	2	255	296	265	31
Subtotal	479	88	1 376	1 943	1 455	488
General Service						
Principal level	43	2	25	70	56	14
Other levels a/	849	125	2 213	3 187	2 565	622
Subtotal	892	127	2 238	3 257	2 621	636
Total	1 371	215	3 614	5 200	4 076	1 124

a/ Includes field service and local level.

69. As has been noted above, there have been substantial changes in income from extrabudgetary resources; however, the relation of these resources to the financing of temporary posts is not indicated in the budget document. The Committee points out that there is a lack of transparency with regard to the use of extrabudgetary resources, including backstopping activities.

70. In accordance with the terms of section II, paragraph 2, of General Assembly resolution 35/217 of 17 December 1980, the Advisory Committee, since submitting its first report on the 1992-1993 proposed programme budget, has concurred with the following requests by the Secretary-General concerning extrabudgetary posts at the D-1 level and above.

(a) The establishment of one D-2 post in the Office for the Coordination of United Nations Humanitarian and Economic Assistance Programmes relating to Afghanistan (UNOCA), until end 1992;

(b) The establishment of one assistant secretary-general, one D-2 and one D-1 post for the United Nations Office for the Coordination of Humanitarian Assistance to Afghanistan (UNOCHA) (ex-UNOCA) for 1993;

(c) The establishment for January to 31 March 1992 of one assistant secretary-general, one D-2 and three D-1 posts for activities in response to Security Council resolution 688 (1991) (United Nations Inter-agency Humanitarian Programme in Iraq and United Nations Guards contingent);

(d) The establishment/continuation of two D-2 and three D-1 posts for the period from 1 April to 30 June 1992 for the United Nations Inter-agency Humanitarian Programme in Iraq and the United Nations Guards contingent;

(e) The continuation of one D-2 and one D-1 post for the period 1 July 1992 to 31 March 1993 for the United Nations Inter-agency Humanitarian Programme in Iraq;

(f) The continuation of one D-2 and one D-1 post for the Inter-agency Humanitarian Programme for Iraq for the period from 1 April to 31 December 1993;

(g) The establishment of one D-2 post for the Director of the Secretariat of the International Decade for National Disaster Reduction for 1993;

(h) Renewal of the contract for the Secretary-General's Special Representative for the Promotion of the United Nations Decade for Disabled Persons for three months up to 31 March 1993;

(i) The establishment of one D-1 post to be funded from the Trust Fund for Supporting the Negotiating Process on the International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, for the period from 1 April to 31 December 1993;

(j) The establishment, in May 1992, of one D-2 post in the Unit for Peace-keeping Matters and Special Assignments, Office of Programme Planning, Budget and Finance, funded from the Support Account for Peace-keeping Operations;

(k) The establishment, in April 1993, of one D-1 post in the Field Operations Division funded from the Support Account for Peace-keeping Operations.

71. The Committee's concurrence for the upgrading of a number of senior posts was requested, in some instances, on an ex post facto basis. The Committee's difficulty in these situations was conveyed to the Secretary-General. In this connection, the Committee emphasizes that, in order for it to exercise its functions, the Committee's concurrence must be sought and obtained before decisions are taken and implemented.

Temporary assistance and consultants

72. As can be seen from annex IV to the introduction to the proposed programme budget, the expenditure sections of the proposed programme budget include a total of $59.2 million for general temporary assistance. As a rule, the greatest use of general temporary assistance is for additional staff during peak workload periods; general temporary assistance is also used for the replacement of staff on prolonged sick leave or maternity leave. In this connection, the Advisory Committee noted the instances where general temporary assistance funds were being used to finance posts on a continuing basis. The Advisory Committee requests the Secretary-General to reconsider this practice and to follow the

normal procedure for the establishment of posts to carry out the functions concerned.

73. The overall estimate of requirements for temporary assistance for meetings is $58.1 million (see annex IV to the introduction to the proposed programme budget). These funds are requested for short-term interpreters, translators, typists and other conference-servicing staff.

74. As can be seen from the same annex, the total request for consultants and expert groups is $17.2 million for 1994-1995. The Advisory Committee was informed that, of that total, $11.8 million related to consultants. The Committee expects that expenditure under this object will be limited to the contracting of expert technical staff who are required for a short duration and whose expertise is not currently available in the Secretariat.

Underutilized balances

75. The Committee recalls that the net appropriations in respect of 1990-1991, shown in the audited accounts for that biennium, were exceeded by $11,971,200. In the course of its consideration of the 1994-1995 proposed programme budget, the Committee inquired into the level of resources not disbursed out of the total of $55.8 million shown as unliquidated obligations in the audited accounts for the 1990-1991 appropriations. According to information received by the Committee, an amount totalling $156,000 remained unliquidated, all under section 12. Under the circumstances, a reduction in respect of underutilized balances from current and past bienniums will not be necessary for the 1994-1995 estimates.

Global conferences

76. The Committee has made a number of comments about global conferences, specially in its observations on parts IV and VII in chapter II below. The following table summarizes provisions made in the proposed programme budget for 1994-1995 for United Nations conferences.

Provisions made in the proposed programme budget for the biennium 1994-1995 for United Nations conferences

(Thousands of United States dollars)

	Sect. 8 DPCSD	Sect. 9 DESIPA	Sect. 12B Habitat	Sect. 13 Crime Control	Sect. 15 ECA	Sect. 16 ESCAP	Sect. 17 ECE	Sect. 18 ECLAC	Sect. 19 ESCWA	Sect. 24 DFI	Total
1. World Summit for Social Development	1 726.2	-	-	-	10.0	8.0	12.0	10.0	10.0	732.4	2 508.7
2. Global Conference on Sustainable Development of Small Island Developing States	479.1	-	-	-	10.0	10.0	10.0	10.0	10.0	95.0	624.1
3. 1994 International Conference on Population and Development	-	668.1	-	-	10.0	9.0	14.9	12.0	10.0	200.0	924.0
4. 1995 World Conference on Women	1 720.6	20.0	-	-	35.0	35.0	57.0	53.0	35.0	517.0	2 472.6
5. Habitat II	-	-	1 037.5	-	10.0	10.0	10.0	10.0	10.0	100.0	1 187.5
6. Ninth Congress on the Prevention of Crime and the Treatment of Offenders	-	-	-	627.4	5.0	5.0	5.0	5.0	5.0	484.0	1 136.4
Total	3 925.9	688.1	1 037.5	627.4	80.0	77.0	108.9	100.0	80.0	2 128.4	8 853.3

The Committee points out that considerable support is also given to these conferences, over and above amounts budgeted, through the use of existing staff and other resources. The Committee expects that, wherever possible, resources for the preparation of these conferences will be pooled and other measures taken to maximize efficiency and minimize cost. In this connection, the Advisory Committee recalls the statement by the Secretary-General in his report (A/C.5/47/88) on restructuring that:

> "Such further adjustments in the organization of the means put at the disposal of the Secretary-General will also result from the integration through the restructuring process of disparate secretariat units into coherent entities. Preparation and follow-up to major international events should henceforth be undertaken within such entities. The creation of additional organizational units and posts will not be required. Overall, economies of scale and improved programme delivery stemming from the present restructuring will be reflected in the proposed programme budget for the biennium 1994-1995."

INTERNATIONAL CIVIL SERVICE COMMISSION

77. The Advisory Committee has considered the statement submitted by the Secretary-General (A/C.5/48/18 and Corr.1) pertaining to the administrative and financial implications of the decisions and recommendations contained in the report of ICSC. 3/ As indicated in paragraph 20 of the Secretary-General's statement, subject to General Assembly approval of the recommendations of ICSC, the reductions relating to expenditures for staff assessment ($31,101,600) and to income from staff assessment ($31,101,600) will be made in the context of the recosting of the proposed programme budget for the biennium 1994-1995 towards the end of December 1993. As regards the impact of the decisions dealing with issues other than staff assessment, they will be dealt with in the first programme performance report for the biennium 1994-1995, following past practice.

78. In order to expedite consideration of the proposed programme budget for the biennium 1994-1995 by the General Assembly, the Advisory Committee, in tables 1 and 2 below, has reflected the reductions relating to expenditures for staff assessment ($31,101,600) offset by an increase in an equal amount as income from staff assessment in table 1 below.

COOPERATION WITH OTHER UNITED NATIONS BODIES

79. The Advisory Committee has submitted reports to the following United Nations bodies:

(a) The Governing Council of UNDP, on UNDP's revised budget estimates for 1992-1993 and budget estimates for 1994-1995 (DP/1993/46);

(b) The Governing Council of UNDP, on revised budget estimates for the administrative and programme support services of UNFPA for the biennium 1992-1993 and budget estimates for 1994-1995 (DP/1993/38);

3/ Official Records of the General Assembly, Forty-eighth Session, Supplement No. 30 (A/48/30 and Corr.1).

(c) The Commission on Human Settlements, on the proposed budget for the United Nations Habitat and Human Settlements Foundation for the biennium 1994-1995;

(d) The Governing Council of UNEP, on the revised estimates of the programme and programme support costs budget of the Environment Fund for the biennium 1992-1993 and on the proposed budget for 1994-1995;

(e) The Executive Board of UNICEF, on the revised budget estimates of UNICEF for 1992-1993 and budget estimates for 1994-1995 (E/ICEF/1993/AB/L.2);

(f) The Executive Board of UNICEF, on headquarters office accommodation (E/ICEF/1993/AB/L.16);

(g) The Committee on Food Aid Policies and Programmes on WFP's strategic financial plan for 1994-1995;

(h) The Board of Trustees of UNIDIR, on the draft work programme and proposed budget for UNIDIR for 1994;

(i) The Commission on Narcotic Drugs, on the proposed initial programme budget for 1994-1995 and programme support cost arrangements of the Fund of the UNDCP;

(j) The Advisory Commission of UNRWA, on the overview of the proposed budget for 1994-1995;

(k) Executive Committee of the Programme of UNHCR, on UNHCR activities financed from voluntary funds for 1992-1993 and proposed programmes and budget for 1994.

Table 1. Summary of reductions recommended by the Advisory Committee by category

(Thousands of United States dollars)

		New rates of exchange and inflation (Recosting) (para. 50 above)	Turnover rate from 5 per cent to 6 per cent (para. 65 above)	Travel (para. 42 above)	General operating expenses (para. 40 above)	Other (paras. 63 and 67 above and chap. II below)	Adjustment a/	Total
Part I.	OVERALL POLICY-MAKING, DIRECTION AND COORDINATION							
1.	Overall policy-making, direction and coordination	829.2	155.1	398.8	17.1	4 264.0 b/	(50.0)	5 614.2
2.	United Nations integrated offices	-	-	-	-	3 604.9 c/	-	3 604.9
Part II.	POLITICAL AFFAIRS							
3.	Political affairs	2 227.7	427.2	378.4	29.4	2 182.6 d/	(81.8)	5 163.5
4.	Peace-keeping operations	4 658.7	110.9	389.5	-	893.0	-	6 052.1
Part III.	INTERNATIONAL JUSTICE AND LAW							
5.	International Court of Justice	944.9	50.0	-	-	99.5	(3.3)	1 091.1
6.	International War Crimes Tribunal	-	-	-	-	-	-	-
7.	Legal activities	1 311.4	181.3	246.3	10.2	53.2	(12.4)	1 790.0
Part IV.	INTERNATIONAL COOPERATION FOR DEVELOPMENT							
8.	Policy coordination and sustainable development	1 406.5	280.4	333.6	25.0	2 355.1 e/	(93.2)	4 307.4
9.	Department for Economic and Social Information and Policy Analysis	1 346.5	316.0	76.5	39.2	1 543.6	(54.3)	3 267.5
10.	Department for Development Support and Management Services	-	-	-	-	2 052.0 f/	-	2 052.0
11.	International Trade and development							
	A. United Nations Conference on Trade and Development	3 334.6	697.4	255.3	300.0	961.8	(49.7)	5 499.4
	B. International Trade Centre	-	-	-	-	-	-	-
12.	Environment and human settlements							
	A. United Nations Environment Programme	2 420.8	87.0	36.4	-	-	-	2 544.2
	B. United Nations Centre for Human Settlements	2 964.0	104.6	21.8	-	-	-	3 090.4
13.	Crime control	214.8	32.4	33.8	-	-	(2.2)	278.8
14.	International drug control	633.3	98.1	102.9	-	-	(6.8)	827.5

		New rates of exchange and inflation (Recosting) (para. 50 above)	Turnover rate from 5 per cent to 6 per cent (para. 65 above)	Travel (para. 42 above)	General operating expenses (para. 40 above)	Other (paras. 63 and 67 above and chap. II below)	Adjustment a/	Total
Part V.	REGIONAL COOPERATION FOR DEVELOPMENT							
15.	Economic Commission for Africa							
	A. Regional commission	5 087.0	587.6	-	-	201.1	(6.6)	5 869.1
	B. Regional Commissions Liaison Office	38.0	7.5	-	-	-	-	45.5
16.	Economic and Social Commission for Asia and the Pacific	4 321.3	409.0	-	-	60.0	(2.0)	4 788.3
17.	Economic Commission for Europe	1 255.5	293.5	-	-	-	-	1 549.0
18.	Economic Commission for Latin America and the Caribbean	9 509.2	384.6	-	-	85.4	(2.8)	9 976.4
19.	Economic and Social Commission for Western Asia	4 253.6	258.6	-	-	485.9	(15.9)	4 982.2
20.	Regular programme of technical cooperation	2 461.0	-	-	-	-	-	2 461.0
Part VI.	HUMAN RIGHTS AND HUMANITARIAN AFFAIRS							
21.	Human rights	1 078.7	206.9	228.9	-	1 461.5	(55.3)	2 920.7
22.	Protection of and assistance to refugees							
	A. UNHCR	1 735.1	239.2	-	-	398.7	(13.1)	2 359.9
	B. UNRWA	1 013.1	223.1	-	-	-	-	1 236.2
23.	Department of Humanitarian Affairs	587.1	111.1	105.9	2.0	1 082.9	(43.9)	1 845.1
Part VII.	PUBLIC INFORMATION							
24.	Public information	1 544.1	556.6	160.5	41.8	2 511.0	(75.0)	4 739.0
Part VIII.	COMMON SUPPORT SERVICES							
25.	Administration and management	23 780.2	2 852.0	170.2	4 189.3	7 119.9	(250.0)	37 861.6
Part IX.	JOINTLY FINANCED ACTIVITIES AND SPECIAL EXPENSES							
26.	Jointly financed administrative activities	674.1	107.1	61.2	5.5	-	(2.2)	845.7
27.	Special expenses	273.3	-	-	-	5 800.5	(189.9)	5 883.9
Part X.	STAFF ASSESSMENT							
28.	Staff assessment	11 699.7	4 404.7	-	-	34 490.7	(5 323.2)	45 271.9

	New rates of exchange and inflation (Recosting) (para. 50 above)	Turnover rate from 5 per cent to 6 per cent (para. 65 above)	Travel (para. 42 above)	General operating expenses (para. 40 above)	Other (paras. 63 and 67 above and chap. II below)	Adjustment a/	Total
Part XI. CAPITAL EXPENDITURES							
29. Technological innovations	118.7	-	-	140.5	-	(4.6)	254.6
30. Construction, alteration, improvement and major maintenance	926.9	-	-	-	7 726.8 g/	(253.0)	8 400.7
Total, expenditure sections	92 649.0	13 181.9	3 000.0	4 800.0	79 434.1	(6 591.2)	186 473.8
Income section 1: Income from staff assessment	11 812.4	4 404.7	-	-	34 477.8	(5 323.2)	45 371.7
Income section 2: General income	-	-	-	-	-	-	-
Income section 3: Services to the public	(348.0)	-	-	-	(133.6)	-	(481.6)
Total, income sections	11 464.4	4 404.7	0.0	0.0	34 344.2	(5 323.2)	44 890.1
Total, net expenditure reduction	81 184.6	8 777.2	3 000.0	4 800.0	45 089.9	(1 268.0)	141,583.7

a/ A corrective offset has been applied to the column headed "Other" in order to cost the recommendations for specific cuts in the various sections at the revised 1994-1995 rates recommended by the Committee as a consequence of its recommendation on recosting.

b/ Of which $469,300 is recommended for redeployment to section 24 (DPI).

c/ Provisional, pending action by the General Assembly on integrated offices.

d/ Includes provisional deletion of one P-5 post under section 3C ($243,000).

e/ Of which $1,641,400 is provisional in respect of the ad hoc secretariat for the Intergovernmental Negotiating Committee on Desertification.

f/ Provisional reduction to "biennialized" base.

g/ Of which $2,853,900 is provisional in respect of telecommunications (Earth stations).

Table 2. Comparative table of estimates as proposed by the Secretary-General and recommended by the Advisory Committee

(Thousands of United States dollars)

		Secretary-General's budget estimates for 1994-1995	Advisory Committee's recommendations
Estimates of expenditure			
PART I.	Overall policy-making, direction and coordination		
1.	Overall policy-making, direction and coordination	42 219.3	36 605.1
2.	United Nations integrated offices	3 604.9	-
PART II.	Political affairs		
3.	Political affairs	72 870.5	67 707.0
4.	Peace-keeping operations and special missions	92 886.7	86 834.6 a/
PART III.	International justice and law		
5.	International Court of Justice	19 427.9	18 336.8
6.	International War Crimes Tribunal	-	-
7.	Legal activities	34 297.7	32 507.7
PART IV.	International cooperation for development		
8.	Department for Policy Coordination and Sustainable Development	52 155.5	47 848.1
9.	Department for Economic and Social Information and Policy Analysis	49 821.5	46 554.0
10.	Department of Development Support and Management Services	30 130.2	28 078.2 b/
11.	International trade and development	133 302.5	127 803.1 c/

		Secretary-General's budget estimates for 1994-1995	Advisory Committee's recommendations
12.	Environment and human settlements	28 884.7	23 250.1
13.	Crime control	4 918.4	4 639.6
14.	International drug control	14 832.4	14 004.9
PART V.	Regional cooperation for development		
15.	Economic Commission for Africa	83 835.6	77 921.0
16.	Economic and Social Commission for Asia and the Pacific	64 699.3	59 911.0
17.	Economic Commission for Europe	46 289.4	44 740.4
18.	Economic Commission for Latin America and the Caribbean	90 001.1	80 024.7
19.	Economic and Social Commission for Western Asia	43 227.5	38 245.3
20.	Regular programme of technical cooperation	45 371.0	42 910.0
PART VI.	Human rights and humanitarian affairs		
21.	Human rights	38 465.0	35 544.3 d/
22.	Protection of and assistance to refugees	69 998.8	66 402.7
23.	Department of Humanitarian Affairs	20 306.3	18 461.2
PART VII.	Public information		
24.	Public information	135 789.1	131 050.1
PART VIII.	Common support services		
25.	Administration and management	927 013.5	889 151.9 e/

		Secretary-General's budget estimates for 1994-1995	Advisory Committee's recommendations
PART IX.	Jointly financed activities and special expenses		
26.	Jointly financed administrative activities	27 050.3	26 204.6
27.	Special expenses	37 664.3	31 780.4
PART X.	Staff assessment		
28.	Staff assessment	448 196.9	402 925.0
PART XI.	Capital expenditures		
29.	Technological innovations	19 096.1	18 841.5
30.	Construction, alteration, improvement and major maintenance	72 707.6	64 306.9
Total estimates of expenditure		2 749 064.0	2 562 590.2
Estimates of income			
1.	Income from staff assessment	454 711.9	409 340.2
2.	General income	59 258.8	59 258.8
3.	Services to the public	6 297.1	6 778.7
Total estimates of income		520 267.8	475 377.7
Total net expenditure		2 228 796.2	2 087 212.5

a/ Of which $1,742,500 is provisional in respect of 10 posts in the Situation Room.

b/ Entire amount is provisional - represents biennialized base.

c/ Of which $9,991,100 represents provisional amount for ITC's requirements in 1995.

d/ Of which $11,853,000 is provisional in respect of staff costs.

e/ Of which $7,185,900 is provisional for the Internal Audit Division and $5,000,000 in respect of training.

Chapter II

DETAILED RECOMMENDATIONS ON THE PROPOSED PROGRAMME BUDGET

A. Estimates of expenditure

PART I. OVERALL POLICY-MAKING, DIRECTION AND COORDINATION

I.1. Part I of the proposed programme budget covers section 1, Overall policy-making, direction and coordination ($42,219,300) and section 2, United Nations integrated offices ($3,604,900).

Section 1. Policy-making organs

I.2. The estimate for the Advisory Committee on Administrative and Budgetary Questions (including its secretariat) amounts to $2,893,500. The Committee notes that the resource growth of $119,900 under staff costs relates to the delayed impact of post changes during the current biennium; i.e. no new staff resources are requested for the 1994-1995 biennium.

I.3. As stated in paragraph 1.14 of the proposed programme budget, requirements for the travel of representatives amount to $979,600 at current rates. The estimate is based on the assumption that the Committee will meet for 60 weeks during the 1994-1995 biennium, an increase of 2 weeks over the total anticipated weeks of meetings projected for the current biennium. The increase in requirements as a result of this extended period was more than offset by the decrease resulting from the fact that, at the time of budget preparation, fewer members were based overseas than previously.

I.4. The Committee points out that the number of weeks of meetings provided for may not prove sufficient if current trends continue. In addition, since the preparation of the budget, the number of members based overseas has increased. However, as pointed out in the proposed programme budget, actual requirements will be affected by the detailed programme of work as finally adopted by the Committee. The Committee notes that, consistent with past practice, any shortfalls would be reported in the context of the performance report of the programme budget. The Committee also notes that it is currently reviewing its own working procedures and elaborating its programme of work for the next biennium and will report as appropriate to the General Assembly. Consequently, no change in this provision is recommended at this time.

I.5. The estimate for the United Nations Board of Auditors (including its secretariat) amounts to $3,585,300 as shown in table 1.9 of the proposed programme budget. The Committee recalls that it recently expressed its concerns to the Board of Auditors regarding the additional burden that might be imposed upon the Board's current resources, given the substantial increase in the activities of the United Nations and in particular, the expansion and proliferation of peace-keeping operations. The Committee further requested that the Board keep under review the effect those developments may have on its role and functioning and communicate its views as appropriate to the Advisory Committee.

I.6. As stated in paragraph 1.23 of the proposed programme budget, it is proposed to downgrade the post of Executive Secretary to the Board from the D-1 to P-5 level. The Advisory Committee understands that the Board was not consulted about this proposal; the Committee also understands that the post,

which has been vacant since August 1993, is as yet unfilled. This proposal will be considered by the Advisory Committee in accordance with what is stated on reclassifications in chapter I above.

I.7 As stated in paragraph 1.36 of the proposed programme budget, it is difficult to forecast the actual travel requirements of the Secretary-General; however, based on recent experience an amount of $691,400 (at current rates), involving resource growth of $217,000, is proposed for 1994-1995. Resource growth is also proposed ($235,500) in respect of the travel requirements of the Executive Office of the Secretary-General as stated in paragraph 1.43 of the proposed programme budget. The Advisory Committee trusts that these funds will be administered with due regard to economy.

I.8. At its request, the Committee was provided with a functional breakdown of the 15 new posts proposed for the Executive Office of the Secretary-General (see para. 1.41 of the proposed programme budget). In the opinion of the Advisory Committee, care should be taken to ensure that there is no duplication with other departments. The Advisory Committee is not convinced of the need for all of the proposed new posts and recommends against acceptance of one D-1, one P-5, four P-3 and three General Service (Other level) posts.

I.9. A provision totalling $2,536,000 has been included under section 1 of the proposed programme budget for the Office of the Special Adviser to the Secretary-General for Public Policy; a breakdown of that amount, which inter alia covers staff costs, consultants and experts and travel, is provided in table 1.16 of the proposed programme budget.

I.10. As indicated in paragraph 1.48 of the proposed programme budget, the Office of the Special Adviser is responsible for organizing and coordinating activities related to the fiftieth anniversary, as well as other special events. The Committee is of the view that at this stage a specific legislative mandate for the Office of the Special Adviser does not exist. Under the circumstances, the Committee is of the opinion that, until the Secretary-General judges it appropriate to submit a statement of programme budget implications or revised estimates in response to an enlarged mandate from a legislative organ, the resources should be limited to those necessary for the servicing of the Preparatory Committee and retained in section 24 (Department of Public Information). The Committee therefore recommends that at present the provision for one D-1 and two General Service (Other level) posts form part of section 24. The remainder of the estimate should, at this stage, be deleted.

I.11. In paragraph 1.57 of the proposed programme budget, the Secretary-General states that, in keeping with his priorities for the Organization and the need for a better and more effective distribution of responsibilities between Headquarters and other United Nations offices, the Director-General of the United Nations Office at Geneva will assume the additional responsibilities enumerated thereafter. The Advisory Committee questions the modality being used to institute such changes. In the opinion of the Advisory Committee, more information should be provided to the Assembly regarding the Secretary-General's proposal in this regard and the matter discussed in appropriate forums.

I.12. The estimate for the Office of the Director-General, United Nations Office at Vienna amounts to $2,117,400. Extrabudgetary resources are estimated at $234,700. In response to inquiries, the Committee was informed that this covers the cost of one Junior Professional Officer (JPO) post assigned to the Liaison Office of the United Nations Office at Vienna in New York. One General Service staff is also funded from reimbursement for support to extrabudgetary substantive activities funded from trust funds.

I.13. The estimate for United Nations integrated offices (section 2) amounts to $3,604,900, as shown in table 2.1 of the proposed programme budget. The Advisory Committee recalls its report (A/47/7/Add.16), in particular paragraph 11 thereof. The Advisory Committee understands that the Secretary-General's initiative in this regard is currently being discussed in the Second Committee. Pending the outcome of those deliberations, the Advisory Committee is not in a position at this stage to recommend approval of the estimate.

PART II. POLITICAL AFFAIRS

II.1. Part II covers section 3, comprising Policy-making organs ($4,358,300), the Department of Political Affairs I ($38,237,600), the Department of Political Affairs II ($26,223,200) and Outer space affairs ($4,051,400), and section 4, Peace-keeping operations and special missions ($92,886,700).

Section 3. Political affairs

II.2. The Committee recalls that the Secretary-General is administering all appropriations under political affairs as one section, allowing the transfer of funds between subsections in accordance with the United Nations financial regulations and rules. The Committee is of the view that the activities and management of the two departments by two Under-Secretaries-General dealing with political affairs should be reviewed and clarified with a view to avoiding duplication and to ensuring the most efficient administrative arrangements. The Committee was not fully convinced that the two heads of departments have clearly defined responsibilities, including geographical ones (see para. 3.16 of the proposed programme budget).

II.3. In order to make optimum use of resources, the Committee requests that coordination between the organizational units in section 3 be enhanced. Furthermore, the Committee stresses the need for a review of the organizational structure of the Department for Peace-keeping Operations and Special Missions, including the allocation of functions to the Departments of Political Affairs and Administration and Management.

Section 3A. Policy-making organs

II.4. The Committee notes that the biennialized base for policy-making organs amounts to $4.1 million, compared to the revised 1992-1993 appropriation of $3.2 million (see table 3A.1), including an increase for the Trusteeship Council from $39,700 in the revised 1992-1993 appropriations to $113,900 in the biennialized base, or by 187 per cent. The Committee points out that such a large increase should be explained in the budget document.

II.5. The Committee notes a provision of $727,100 for external printing for issuance of the Official Records of the Security Council (see para. 3A.3 of the proposed programme budget). The Committee is of the view that printing of recurrent publications of the principal organs of the United Nations should be done internally, making maximum use of the existing facilities.

II.6. The Committee notes that the activities of the Trusteeship Council (see table 3A.4), the Special Committee on the Situation with regard to the Implementation of the Declaration or the Granting of Independence to Colonial Countries and Peoples (see table 3A.6) as well as the Special Committee against Apartheid and other bodies (see table 3A.7) are estimated to continue at the same level.

II.7. The Committee was informed that the Commission against Apartheid in Sports, which has been estimated for the full 1994-1995 biennium (see para. 3A.29 of the proposed programme budget), may submit its final report to the General Assembly in 1994 following elections in South Africa.

II.8. The Committee notes that the provision of $744,400 before recosting under United Nations grants for the maintenance of the New York offices of South

African liberation movements is based on General Assembly resolution 47/116 B, by which it was decided to maintain the current arrangements for 1994-1995 (see para. 3A.37 (b) of the proposed programme budget). The Committee trusts that the Secretary-General will keep these grants under review in the light of further developments and make the necessary adjustments as may be mandated by the General Assembly.

II.9. The Advisory Committee notes the estimate of $118,900 at 1994-1995 rates for the Committee on the Exercise of the Inalienable Rights of the Palestinian People (see table 3A.8). As indicated in paragraph 3A.39 of the proposed programme budget, this covers the costs of Committee members and observers to meetings organized by the organs and organizations of the United Nations system and the specialized agencies and other international conferences and meetings that the Committee attends as well as the sending of delegations on other missions the Committee undertakes in the discharge of its mandate (see paras. 3A.38 and 3A.39 of the proposed programme budget).

Section 3B. Department of Political Affairs I

II.10. The Committee was not fully convinced of the need to establish an additional General Service post in the Office of the Under-Secretary-General for Political Affairs (see para. 3B.8 of the proposed programme budget). The Committee notes that at present there are four General Service posts and four Professional posts in that Office. Bearing in mind the use of modern technologies, the Committee recommends the deletion of the General Service post.

II.11. The Committee is of the view that the resource growth of 17.3 per cent for preventive diplomacy and peacemaking with a total of 47 staff (see tables 3B.7 and 3B.8), including the addition of two P-5, two P-4 and three General Service posts (see para. 3B.19 (b) of the proposed programme budget), is large and not sufficiently justified. The Committee is of the opinion that the activities relating to preventive diplomacy should be carried out economically and effectively. Upon inquiry, the Committee was informed that two P-5 posts and one P-4 post, were temporarily redeployed to this subprogramme from other sections in 1993 pursuant to General Assembly resolution 47/120 VI, which recognized the need for adequate resources in support of United Nations efforts in preventive diplomacy. The Committee recommends the deletion of the new P-4 post and one General Service post.

II.12. The Committee further questions the provision of consultancy for preventive diplomacy ($38,700) (see para. 3B.9 of the proposed programme budget) and believes that the functions could be carried out by the existing or additional staff of the Department. The Committee recommends a reduction of $40,900 at 1994-1995 rates.

II.13. It is proposed to establish one D-2 post for the Director of the Office of General Assembly and Security Council Affairs, one P-5, one P-4, one P-3, one P-2 and one General Service (Principal level) and five General Service (Other level) posts under Security Council and General Assembly Affairs to deal with the additional activities of the two principal organs of the United Nations (see para. 3B.28 of the proposed programme budget).

II.14. Upon inquiry, the Committee was informed that the proposed four additional Professional posts (1 P-5, 1 P-4, 1 P-3 and 1 P-2) were temporarily redeployed to this subprogramme in 1993 from other sections (see table 3B.10). The Committee was informed that there has been a large increase in activities of the Security Council during the current biennium, including 286 formal meetings,

413 informal consultations, 158 resolutions and 177 presidential statements from 1 January 1992 to 8 November 1993.

II.15. The Committee was not fully convinced of the need to establish an additional six General Service posts (1 Principal and 5 Other level), taking into account the existing ratio of General Service to Professional posts and the ongoing automation process (see para. 3B.60 of the proposed programme budget), which should reduce the support requirements. The Committee recommends deletion of two General Service posts.

II.16. In accordance with what is stated in chapter I above, action on the proposed reclassification of the Director of the Office for Disarmament Affairs from the D-1 to the D-2 level (see para. 3B.44 of the proposed programme budget) is being deferred.

II.17. It is further proposed to convert the P-5 regular budget post of the Regional Centre in Asia from temporary to established status (see para. 3B.46 of the proposed programme budget). The Committee was informed that the incumbent of the temporary P-5 post of the Regional Centre in Asia is stationed at Headquarters because of technical difficulties in Kathmandu while the post of the head of the Regional Centre in Africa remained vacant in 1993; one P-5 post is currently being used for the Arms Register. The Committee was further informed that the Secretary-General has decided to extend the mandates of the centres to include functions relating to preventive diplomacy. The Committee was unable to identify the specific legislative mandate for these new functions.

II.18. The Committee recalls that the General Assembly, in its resolution 44/117 F, requested the Secretary-General to establish, as soon as practicable, the post of Director at each of the centres so as to ensure their effective functioning. In this connection, the Committee recalls its recommendation "that the Secretary-General, in the context of his proposed programme budget for the biennium 1994-1995, submit his long-term proposals with respect to these regional centres, in particular as regards their financial viability. Furthermore, a determination needs to be made as to which activities should be carried out by Headquarters on behalf of the centres and those to be entrusted to the centres themselves. There is also a need, in the Advisory Committee's opinion, to have a coherent and integrated programme for the centres, bearing in mind the related activities funded under the regular budget." (A/47/7/Add.13, para. 4). Pending the submission of the above report, the Committee recommends against the approval of the proposed conversion.

II.19. The Committee also questioned the need for consultancy of $1.4 million before recosting (see para. 3B.47 of the proposed programme budget) in conjunction with publications and intergovernmental meetings. The Committee is of the view that recurrent standard publications such as the Disarmament Yearbook should be prepared and edited by the existing staff of the Secretariat. Furthermore, the provision includes an amount of $1.1 million before recosting for ad hoc expert groups such as travel and subsistence for the Advisory Board on Disarmament Matters, sessions of the Group of Experts on the Register and "studies on disarmament that the General Assembly may wish to authorize for the biennium 1994-1995". The Committee is of the opinion that budgetary provisions for consultancy and for other activities are excessive and recommends a reduction of $300,000 at 1994-1995 rates under consultancy.

II.20. It is proposed to provide $440,000 for the subvention of UNIDIR in the biennium 1994-1995 (see para. 3B.53 of the proposed programme budget). The Secretary-General, in his note (A/C.5/48/16), requests a subvention for 1994 of $220,000 on the basis of the 1994 draft programme of work and proposed budget adopted by the Advisory Board on Disarmament Matters, in its capacity as Board

of Trustees of UNIDIR (A/48/270, annexes I and II). The Committee recommends approval of the proposed subvention to UNIDIR for 1994-1995 and reiterates its recommendation that every effort should be made to secure unrestricted contributions and to charge a fair share of the Institute's support costs to tied contributions so that the charges to the regular budget could be minimized (A/46/7/Add.1-16, annex, para. 9).

II.21. The Committee notes that there are large increases in telecommunications costs, especially long-distance telephone calls, in all units of the department (see paras. 3B.12, 3B.17, 3B.21, 3B.32 and 3B.50 of the proposed programme budget). The Committee refers to its observations on general operating expenses in chapter I above and recommends that telecommunications be used more cost-effectively.

Section 3C. Department of Political Affairs II

II.22. It is proposed to establish a coordination and report unit within the Office of the Under-Secretary-General for reports to the Security Council and to establish a D-2 post for the head of that unit (see para. 3C.5 of the proposed programme budget). The Committee questions the rationale for establishing a separate unit within the department for the coordination of reports; this procedure is not an efficient and cost-effective use of resources. The Committee recommends the consequential deletion of the proposed new D-2 post and that the functions be carried out by the existing staff of the Office of the Under-Secretary-General.

II.23. It is proposed to establish an additional D-1 post in the Office of the Under-Secretary-General for special missions and representation functions (see para. 3C.5 (b) of the proposed programme budget). Considering that the Office of the Under-Secretary-General is already top-heavy with two D-1 (1 D-1 redeployed in 1992-1993) and one P-5 post, the Committee recommends against the approval of the post.

II.24. The provision of $239,400 for consultancy (see para. 3C.6 of the proposed programme budget) includes a significant increase of $214,800, or 873 per cent (see table 3C.4). The Committee recommends a reduction of $100,000 at 1994-1995 rates.

II.25. According to paragraph 3C.28 of the proposed programme budget, the residual activities relating to Namibia are to be administered by the Branch on Pacific Settlement Procedures in Africa under Special political questions (Other) and it is proposed to redeploy one P-5 and one General Service post while relinquishing one P-3 post. According to the organigram of the Department provided to the Committee, the Transitional Unit for Namibia would remain during 1994-1995 with one P-5 and one General Service post. Considering that the residual activities with regard to the individual scholarship programme under General Assembly resolution 44/243 B are very limited and to be completed during the period 1990-1994 (A/C.5/46/10), the Committee questions the continuation of this separate Unit.

II.26. With regard to programme 5, Regional, political and security cooperation and trusteeship and decolonization (see table 3C.17), it is proposed to maintain the same total staffing level (14 Professional and 8 General Service) although the activities under trusteeship and decolonization are expected to decrease further. In this connection, the Committee recalls that there is only one remaining Trust Territory (see para. 3A.4 of the proposed programme budget) and 18 Non-Self-Governing Territories (para. 3A.16). Furthermore, it is proposed to establish in the Division for Regional Cooperation and Self-Determination one

P-5 post through redeployment and to redeploy one P-3 post to subprogramme 1, Special political questions (see para. 3C.34 of the proposed programme budget).

II.27. The Committee further recommends that the functions of the Division for Regional Cooperation and Self-Determination be streamlined with a view to carrying out the mandates more cost-effectively. Furthermore, the Committee notes that if legislative decisions are taken that affect the mandates of the Department, the Secretary-General is requested to submit the administrative and financial implications to the General Assembly.

II.28. The Committee notes that one P-5 post, one P-3 post and one General Service post were redeployed to the Electoral Assistance Unit in 1993 from within the Department to cope with the intensified electoral activities carried out by the Secretary-General or decided upon by the General Assembly or the Security Council. In view of the increasing requests from Member States for electoral assistance, it is proposed to increase the staffing of the unit further by the creation of one new P-5 post (see para. 3C.39 of the proposed programme budget). According to table 3C.20, there are at present six Professional posts (1 D-2, 1 D-1, 2 P-5, 1 P-4 and 1 P-3) and five General Service posts in the Electoral Assistance Unit. The Committee believes that the large increase in resources of the Unit from $875,600 in the 1992-1993 revised appropriation to $2.1 million in the 1994-1995 estimates should be substantiated in the budget document.

II.29. The Committee recalls that the General Assembly, in its resolution 46/137, endorsed the view of the Secretary-General that he should designate a senior official in his Office to act as a focal point to coordinate and consider requests for electoral verification. The General Assembly further determined that the designation of the senior official would neither pre-empt nor supersede ongoing arrangements regarding electoral assistance and requested the Secretary-General to allocate, whenever appropriate, and within existing resources, a small number of staff and other resources to support the designated senior official in carrying out his or her functions. The General Assembly further requested the Secretary-General to notify the competent organ of the United Nations upon receipt of official requests from Member States for electoral verification and, upon the direction of that organ, to provide appropriate assistance. At the same time, the General Assembly, in its resolutions 46/130 and 47/130, recognized that there was no universal need for the United Nations to provide electoral assistance to Member States, except in special circumstances by virtue of resolutions adopted by the Security Council or the General Assembly. The General Assembly, in its resolution 47/138, took note of the decision of the Secretary-General to establish the Electoral Assistance Unit within the Secretariat and requested him to provide the Unit with adequate human and financial resources, under the regular budget and within existing resources to allow it to carry out its mandate.

II.30. The Committee believes that there is a need to clarify the concept and criteria for United Nations electoral assistance in relation to resource requirements. In this connection, the Committee points out that there is a need for a better presentation of the financing of electoral assistance from the United Nations Trust Fund for Electoral Observation (see para. 3C.38 of the proposed programme budget), especially operational activities, which should be financed from extrabudgetary resources. Considering the low programme support level of 13 per cent (see table 3C.19), the Committee further requests that adequate programme support cost arrangements be made in a transparent manner to ensure that the regular budget does not continue to subsidize these extrabudgetary activities. Pending the review and clarification of the administrative and financial arrangements for electoral assistance, including a workload analysis and a clear description of the functions in relation to

current legislative mandates, the Committee recommends the provisional deletion of the new P-5 post.

II.31. The Committee notes the estimate of $4,701,900 at 1994-1995 rates for the subprogramme, Question of Palestine: exercise by the Palestinian people of its inalienable rights. The Committee further notes that important developments in the region have led to a widening range of activities at the governmental, intergovernmental and non-governmental levels and have resulted in an increased demand on the Division (see para. 3C.42 of the proposed programme budget). The resource requirements of the Division for Palestinian Rights are indicated in paragraphs 3C.42 to 3C.49 of the proposed programme budget.

II.32. As regards the Centre against Apartheid, the Committee notes the redeployment of four Professional (1 D-1, 1 P-4, 1 P-3 and 1 P-2) and five General Service posts from this programme to other activities within this subsection (see para. 3C.57 of the proposed programme budget). The Committee is of the view that the remaining staff of the Centre still appears to be high (14 Professional and 10 General Service) and may not be required for the entire biennium 1994-1995 (see table 3C.24).

Section 3D. Outer space affairs

II.33. The Committee notes that the extrabudgetary resources for the outer space programme are not well indicated in table 3D.1 and that there is a need for more transparency in the presentation, indicating all services, including those in kind, in support of other United Nations organizations, extrabudgetary programmes and substantive activities.

II.34. The Committee was informed that all meetings of the Committee on the Peaceful Uses of Outer Space now take place in Vienna following the relocation of the Office, resulting in savings in travel of experts and staff. Furthermore, the Committee understands that there will be no additional costs for holding the next United Nations Conference on the Exploration and Peaceful Uses of Outer Space in the biennium 1994-1995.

II.35. While recognizing the merits of the proposed reclassification of the Director of the Office from the D-1 to the D-2 level (see para. 3D.3 (a) of the proposed programme budget), in view of what is stated in chapter I above, a recommendation on this proposal is being deferred.

II.36. The Committee recommends approval of the two new P-3 posts and one General Service (Other level) post (see para. 3D.3 (b) of the proposed programme budget) to assist with the expanding workload of the Committee on the Peaceful Uses of Outer Space and the new responsibilities of the Office for legal aspects of outer space, including the servicing of the Legal Subcommittee (see paras. 3D.4-3D.6 of the proposed programme budget).

Section 4. Peace-keeping operations and special missions

II.37. The Committee was provided with revised tables 4.4, 4.6 and 4.8, indicating revised figures for regular budget posts in 1992-1993 and up-to-date estimates for temporary posts financed from the support account for peace-keeping operations. The Committee points out that the staffing tables and cost estimates in the budget document should be up to date and any unforeseen changes should be indicated in a timely manner.

II.38. The Committee notes that under table 4.2 are listed 23 other missions with their 1992-1993 revised appropriations, biennialized base and resource growth, excluding the total before recosting and the 1994-1995 rates. The Committee notes that there is a need to clarify whether other missions should be budgeted in section 4 rather than in section 3 and what are the criteria for including special missions under section 4 and other missions under section 3. The Committee is of the opinion that if missions are to be budgeted under section 4, those which lead to the establishment of peace-keeping operations should be financed from the budgets adopted for those operations.

II.39. According to the proposed organizational structure, the Department is composed of the Offices of the Under-Secretary-General and the Assistant Secretary-General, 3 regional divisions with 17 different missions, the Field Operations Division with 6 sections/units, the Military Division with 5 sections/units and, in addition, the Executive Office, the Policy and Analysis Unit, the Situation Centre, the Focal Point Unit and the Spokesman for the Department. The Committee is of the view that the structure of the Department needs to be streamlined. The Committee understands that the structure of this Department is under consideration by the General Assembly.

II.40. With respect to the Field Operations Division, the Advisory Committee notes that in 1988 the Secretary-General integrated the administrative functions of the Office for Field Operational and External Support Activities into the Department of Administration and Management in accordance with recommendation 17 of the Group of High-level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations. In 1993, the Secretary-General further proposed to place the Field Operations Division under the direct command of the Under-Secretary-General for Administration and Management. This proposal was approved by the General Assembly in its resolution 47/212 B.

II.41. In this connection, the Committee recalls that the General Assembly, in its resolution 47/212 B III, paragraph 10, concurred with the observations of the Advisory Committee in paragraph 34 of its report and urged the Secretary-General to take the necessary measures to strengthen and make more effective the planning, management and administrative support within and between the departments responsible for peace-keeping operations, including the Field Operations Division, and also within the Department of Humanitarian Affairs. In this connection, based on an internal review, the Secretary-General proposes the integration of the Field Operations Division into the Department of Peace-keeping Operations with a view to improving and strengthening the quality of support provided to the missions. The Advisory Committee notes that the Field Operations Division will continue to be an entity providing a full range of administrative support to peace-keeping operations, good offices missions, special missions and such other field missions as may be authorized by the legislative bodies or by the Secretary-General.

II.42. In view of the above, the Committee is of the view that the General Assembly should have received information from the Secretary-General on the usefulness of transferring the Field Operations Division outside the Department of Administration and Management as a means of ensuring the integral management of support resources for various operations and activities undertaken by other departments concerned. Under the circumstances, the General Assembly might wish to review the effectiveness of the proposed merger of the departments responsible for the management of peace-keeping operations and other activities on the basis of a report by the Secretary-General to the General Assembly at its fiftieth session, taking into account General Assembly resolution 47/212 B.

II.43. The Committee further notes that a new Executive Office is proposed for the Department's administration while the Field Operations Division, which has been proposed to be integrated into the new Department, is now covering all operational activities, including staff administration. The Committee further notes that two separate units - the Spokesman for the Department and the Spokesman for the Secretary-General - are now dealing with public information and liaison with Member States with regard to peace-keeping operations and this may give rise to potential duplication.

II.44. In view of the above, the Committee recommends that the Secretary-General review the proposed organizational structure of the Department, taking into account the experience in the central management of peace-keeping operations and special missions during 1992-1993, in order to make the most efficient and cost-effective arrangements. The Committee points out that there is also a need for a careful review of the functions of the regional divisions and the Military Division in the Department. The Committee further stresses the importance of establishing effective coordination mechanisms between the finance-related functions in the Department of Peace-keeping Operations and the procurement functions in the Office of General Services.

II.45. The Committee is of the opinion that the staffing structure of the Department is top-heavy with, 1 Under-Secretary-General, 1 Assistant Secretary-General, 4 D-2, 10 D-1 and 15 P-5 posts (revised table 4.6). The Committee was not fully convinced of the need for such a large number of senior posts in the Department and recommends that the grade structure be reviewed.

II.46. According to revised table 4.4, the ratio of total number of General Service to Professional posts for 1994-1995 is 164 to 160 and for the Field Operations Division 105 to 62 (revised table 4.8), or 3 General Service to 2 Professional posts. The Committee believes that the number of General Service posts is high, especially in view of the ongoing automation process in the Field Operations Division, and efforts should be made to reduce these posts.

II.47. It is proposed to establish a total of 18 new regular budget posts in the Department for 1994-1995 (1 D-1, 1 P-5, 5 P-4, 5 P-3, 3 P-2 and 3 General Service) (see para. 4.8 of the proposed programme budget). The Committee notes that the proposed increase includes eight Professional posts (3 P-4, 2 P-3 and 3 P-2/1) that were temporarily redeployed to the Department in 1993 from the vacancy pool. The Committee recommends approval of the eight posts which have already been redeployed.

II.48. The Committee will address the remaining 10 posts (1 D-1, 1 P-5, 2 P-4, 3 P-3 and 3 General Service - approximately half of the proposed full staffing of the Situation Room) in the context of its review of the Secretary-General's report on the Support account for peace-keeping operations (A/48/470) before the end of the year. In this connection, the Committee will also comment on the proposed number and grading structure of the staff for the Situation Room. Considering that the Situation Room is part of the United Nations central structure to manage peace-keeping operations and that the posts are proposed to be financed half from the regular budget and half from the support account (see para. 4.9 of the proposed programme budget), the Committee points out the need for a careful analysis of the modalities of the Situation Room with a view of optimizing the efficient use of resources in the Department of Peace-keeping Operations and the Department of Administration and Management.

II.49. According to paragraph 4.17 of the proposed programme budget, the Field Operations Division will move towards greater standardization of supplies and equipment to ensure optimum compatibility between missions and to facilitate procurement and maintenance. The Committee notes that standardization should

not be at the expense of flexibility, taking into account specific circumstances and the unique characteristics of different areas where operations are being carried out.

II.50. The Committee notes that 16 Field Service posts are proposed for transfer from the Field Operations Division to the regional commissions, the United Nations Office at Nairobi and the United Nations Office at Geneva for the implementation of the new global satellite communications network (see para. 4.23 of the proposed programme budget). Moreover, the reference to the cost-sharing arrangement with UNDRO (see para. 4.25 of the proposed programme budget), which has been integrated into the Department of Humanitarian Affairs, needs to be updated.

II.51. The Committee commends the Secretary-General for streamlining the administrative structure and activities of the United Nations Truce Supervision Organization (UNTSO) during the biennium 1992-1993, resulting in a negative resource growth of $6.9 million, or 11 per cent (see table 4.9), and a reduction of 17 local level and 37 Field Service posts through a consolidation of functions and activities at all levels, relocation of offices and increased office automation (see para. 4.31 of the proposed programme budget).

II.52. With regard to the United Nations Military Observer Group in India and Pakistan (UNMOGIP), the Committee notes a significant increase ($82,600) for rental and maintenance of premises ($394,100) (see para. 4.42 of the proposed programme budget) as a result of another expected increase upon the renewal of the lease agreement on the UNMOGIP compound at Rawalpindi, in addition to the substantial increase ($57,000 at 1991 rates) for rental of the UNMOGIP premises in the 1992-1993 budget (A/46/6/Rev.1, para. 2.59). The Committee recalls the provisions of the model status-of-forces agreement (A/45/594), including the obligation of the host country to provide without cost premises for the operational and administrative activities of the mission and for the accommodation of the staff. The Committee requests the Secretary-General to make the necessary efforts in this regard and indicate the outcome in the performance report for 1992-1993.

PART III. INTERNATIONAL JUSTICE AND LAW

III.1. Part III of the proposed programme budget for 1994-1995 covers section 5, International Court of Justice ($19,427,900), and section 7, Legal activities ($34,297,700).

Section 5. International Court of Justice

III.2. The Committee was informed that the requirements for consultancy and experts in 1994-1995 cannot be foreseen at present (see para. 5.14 of the proposed programme budget) and provision would be made under the General Assembly resolution on unforeseen and extraordinary expenses since the Court, under Article 50 of its Statute, may at any time appoint assessors or call witnesses to carry out an inquiry or give an expert opinion on cases before it.

III.3. It is proposed to upgrade one P-3 post to P-4 for the head of the Registry's library (see para. 5.17 (c) of the proposed programme budget) and two P-2 posts to P-3 for the head of the archives and the head of the typing pool owing to the increase in the Court's workload (see para. 5.17 (d) of the proposed programme budget). In accordance with what is stated in chapter I above, action on the proposed reclassification of the above posts is being deferred.

III.4. The Secretary-General further proposes to establish seven new temporary posts, namely two P-4 posts for translators to cope with the increased case-load and five General Service posts for two more secretaries to the Judges, two clerk-typists for the typing pool and one finance assistant for maintaining the Court's computer systems (see para. 5.17 (e) of the proposed programme budget). The Committee was informed that the additional resources would remedy the current shortage of secretaries to the Judges and provide the Court with the necessary assistance to cope with the increased case-load. The Committee notes that the resources for secretarial assistance to the Court are increasing despite the ongoing automation process. The Committee does not object to the request; it, however, believes that the application of other new technologies should enhance the Court's capacity to deal with a larger workload and achieve higher cost-effectiveness, taking into account the proposed provision of $114,600 for maintaining its office automation and other equipment (see para. 5.22 (d) of the proposed programme budget).

III.5. As indicated in paragraph 5.22 (a) of the proposed programme budget, a provision of $13,200 is made for an increase in the contribution payable by the United Nations for its share of the general operating expenses of the facilities provided in the Peace Palace at The Hague for the Court. Upon inquiry, the Committee was informed that the proposed increase relates to the higher personnel costs incurred by the Carnegie Foundation for a professional security service and also to an increase in operational expenses.

Section 7. Legal activities

III.6. The Committee recalls that the former Office of the Law of the Sea and Ocean Affairs was integrated into the Office of Legal Affairs as a new division, effective 1 March 1992. The Committee was informed that there were also major substantive changes in services related to subprogrammes 1 (Overall direction, management and coordination of legal advice and services to the United Nations as a whole), 2 (Custody, registration and publication of treaties) and 4 (General legal services to United Nations organs and programmes).

III.7. With regard to extrabudgetary resources estimated at $3,556,100 for 1994-1995 (see table 7.1 (2)), the Committee is of the view that the estimated reimbursement of $2,921,300 for services in support of administrative structures appears to be low. Upon inquiry, the Committee was informed that during the 1992-1993 biennium, the Office of Legal Affairs was reimbursed $1,811,700 by UNDP, UNFPA and UNICEF for 22.7 work-months of services rendered in support of administrative structures in relation to 10 Professional and 6 General Service posts. As regards extrabudgetary programmes for peace-keeping operations ($211,800), the Committee was informed that two Professional posts are provided by the support account for peace-keeping operations. The Committee notes that, as in many other sections, no breakdown was available on extrabudgetary resources that would substantiate the services provided by the Office of Legal Affairs during the 1994-1995 biennium, in this case support of administrative structures ($2,921,300), peace-keeping operations ($211,800), substantive activities ($237,000) and operational projects ($186,000) (see table 7.1 (2)). The Committee is of the view that these services should be monitored carefully and that the related costs should be indicated in detail in the budget document and in the performance report.

III.8. In accordance with what is stated in chapter I above, action on the proposed reclassification of the post of Executive Officer from P-4 to P-5 and of the Administrative Officer from P-4 to P-3 (see para. 7.27 of the proposed programme budget) is being deferred.

III.9. As regards general temporary assistance estimated at $250,900 before recosting (see para. 7.27 of the proposed programme budget), the Committee was informed that provision is made for assistance at the D-1 level to provide additional legal support to the Legal Counsel on matters relating to the implementation of various Security Council resolutions and matters relating to peace-keeping operations. The Committee is of the view that the above provision is high and recommends a consequential reduction of $55,600 at 1994-1995 rates.

III.10. The Committee was informed that the backlog in the United Nations Treaty Series has now been fully eliminated and that the non-recurrent provision of $736,500 for 1992-1993 was the final provision relating to the elimination of the backlog in the Treaty Section, consisting of 60 work-months at the P-2/3 level and 240 work-months at the General Service level.

III.11. As indicated in paragraph 7.36 of the proposed programme budget, further general temporary assistance at $671,300 is proposed for 1994-1995 to put the text of the Treaty Series on optical disk and to provide on-line access of text and editorial data to Member States and others. The Committee was informed that the proposed computerization of the treaties on optical disk, as set out in paragraphs 7.34 and 7.35 of the proposed programme budget, would be fully implemented in 1994-1995 subject to approval by the General Assembly; provision for temporary assistance is made for 24 work-months at the P-4 level, 12 work-months at the P-3 level and 96 work-months at the General Service level.

III.12. The Committee notes that the additional temporary staff would be complemented by the purchase of an optical disk system for which provision has been made under contractual services and general operating expenses. Upon inquiry, the Committee was informed that the reduction of $562,200 under contractual services relates to external printing. The Committee supports this project and emphasizes the need for using the latest technologies in the registration of treaties and maintaining an up-to-date database. In this connection, the Committee was informed that the computerization would result in savings in staff resources and telephone, telefax and photocopying expenses in relation to inquiries. Furthermore, at the end of the 1994-1995 biennium, the

usefulness of the printed volumes of the United Nations Treaty Series would be evaluated and might be discontinued, which would result in substantial savings.

III.13. Having received additional information, the Committee is of the view that the United Nations programme of recurrent publications on legal activities has proliferated. The Committee believes that there is a need to review and rationalize the current publications.

III.14. With regard to the estimate of $1,031,700 before recosting for the United Nations Administrative Tribunal (see table 7.6), the Committee believes that it would be useful to indicate the total costs and the number of posts relating to the administration of justice at the United Nations, including the administrative review and appeals process under the Office of Human Resources Management as well as payment for damages by the Organization.

III.15. The Committee believes that the number of senior posts in the Division for Ocean Affairs and the Law of the Sea may be affected by the entry into force of the United Nations Convention on the Law of the Sea (see para. 7.65 of the proposed programme budget) by the end of 1994. In this connection, the Committee was informed that the secretariat services to the Preparatory Commission for the International Seabed Authority and for the International Tribunal for the Law of the Sea (see para. 7.70 of the proposed programme budget) and the related activities under subprogramme 4 would be phased out with the entry into force of the Convention.

III.16. The Committee recommends that, upon the entry into force of the Convention, the Secretary-General inform the General Assembly of the necessary administrative, operational and budgetary arrangements and the impact on the workload of the Division for Ocean Affairs and the Law of the Sea (see also part I above).

PART IV. INTERNATIONAL COOPERATION FOR DEVELOPMENT

IV.1. Part IV covers section 8 to 14, comprising the Department for Policy Coordination and Sustainable Development ($52,155,500), the Department for Economic and Social Information and Policy Analysis ($49,821,500), the Department for Development Support and Management Services ($30,130,200), the United Nations Conference on Trade and Development ($113,320,300), the International Trade Centre (United Nations share) ($19,982,200), the United Nations Environment Programme ($13,935,200), the United Nations Centre for Human Settlements ($14,949,500), Crime control ($4,918,400) and International drug control ($14,832,400).

IV.2. The Advisory Committee is of the opinion that there are a number of elements common to the three new departments and the United Nations Conference on Trade and Development (UNCTAD). The Committee notes that the reorganization of the administrative structures in the new departments and UNCTAD is still under way and that reference to organizational units is provisional (Pt. I, para. 45, and Pt. IV, paras. 8.12, 9.11 and 10.7). The Committee is of the view that the organizational structure of the new departments should have been finalized before the budget submission and a full description of such arrangements should have been included in the proposed programme budget with a clear indication of the completion date. The Committee's consideration of this important element of the functioning of these departments and a proper analysis was hampered by the lack of such information.

IV.3. The Committee recalls its observation in its report on the revised 1992-1993 estimates (A/47/7/Add.15, para. 11) that since the internal structures of the new departments have yet to be finalized, it is not possible to evaluate how the restructuring will result in "organizational units with more focused and precise terms of reference and clear lines of responsibility and accountability" (A/C.5/47/88, para. 7). The Committee is of the opinion that the proposed programme budget in part IV is not presented in the context of a long-term plan or framework for the restructuring of international cooperation for development. The Committee reiterates its view that there is a need for a clear statement of an overall restructuring plan and a time-frame for its implementation (A/47/7/Add.15, para. 6) and points out that the General Assembly's request in resolution 47/212 B II to ensure that any future proposals relating to major changes in the organization of the Secretariat include a timetable for their implementation in the context of the proposed 1994-1995 programme budget has not been implemented.

IV.4. The Committee notes that a number of activities, such as poverty alleviation, privatization, global development policy analysis and advancement of women, are indicated under several programmes or subprogrammes of part IV and carried out by various units of the departments and UNCTAD. The Committee requests that efforts continue to be made to avoid duplication and overlapping. The Committee stresses the need for effective internal coordination to avoid duplication between the activities of the three departments and UNCTAD and to ensure the most efficient execution of the mandates provided for in the medium-term plan. In this connection, the Advisory Committee, in its report on the revised 1992-1993 estimates (A/47/7/Add.15, para. 32), stressed the importance of such coordination and requested that more detailed information regarding the discharge of the responsibility formerly entrusted to the Director-General be provided.

IV.5. In this connection, the Committee recalls that according to the revised 1992-1993 estimates (A/C 5/47/88, para. 7), the goal of the restructuring was "a more responsive, cost-effective, streamlined Secretariat, comprising

organizational units with more focused and precise terms of reference and clear terms of responsibility and accountability". The Committee points out that part IV of the proposed programme budget should have demonstrated how the changes would, in fact, better enable the Secretariat to respond to the relevant intergovernmental decisions, particularly General Assembly resolution 41/213, and to the programme mandates entrusted to it by the Member States and how the restructuring of international cooperation for development would achieve the goal described above.

IV.6. The Committee observes that there is a proliferation of ad hoc secretariats for intergovernmental bodies and believes that these administrative structures should be rationalized; moreover, existing resources should be used. The Committee further notes that the number of conferences and related costs are increasing. Furthermore, the estimates for international conferences are at full cost and the related costs are difficult to identify, such as those related to the International Conference on Population and Development (see para. 9.19 of the proposed programme budget). In this connection, the Committee recalls the Secretary-General's objective (A/48/1, para. 83) that the challenge of the increasing number of conferences would be met with measures to enhance productivity in conference services, mainly through the introduction of more advanced technology and coordination with substantive secretariats (see chap. I above).

IV.7. The Committee questions the need for additional administrative structures for all international conferences and anniversaries, and requests the Secretary-General to streamline conference-servicing and support for these conferences and indicate the total costs of all conferences, including savings as a result of the restructuring process.

IV.8. The Committee points out that the Secretariat continues to prepare numerous publications on closely related activities of international cooperation for development. The Committee believes that there is a potential for rationalization and recommends that the current publications programme be streamlined, making use of readers' surveys and market research.

IV.9. The Committee observes that the ratio of General Service to Professional posts in the departments under part IV is high (about 50 per cent) (see table 10.3), despite the ongoing automation process. The Committee believes that there is a need to review the current number of General Service posts with a view to streamlining the structure, taking into account the use and benefits of modern technologies and related training of Professional staff.

Section 8. Department for Policy Coordination and Sustainable Development

IV.10. The Committee inquired into the need to establish two additional D-2 posts in the Department (see table 8.3), namely one for the secretariat of the International Year of the Family (see table 8.16 and para. 8.104 (b) of the proposed programme budget) and one for the head of the ad hoc secretariat of the Intergovernmental Negotiating Committee on Desertification (see table 8.26 and para. 8.159 (a) of the proposed programme budget). The Committee was informed that the D-2 post for the secretariat of the International Year of the Family was redeployed from former section 21 (Social development and humanitarian affairs) and the D-2 and D-1 posts for the ad hoc secretariat of the Committee on Desertification were redeployed from former section 41 (Administration and management). In this connection, the Committee questioned the need for a D-2 post for the small secretariat of the International Year of the Family (1 P-3, 1 P-2 and 2 General Service) and notes, moreover, that the proposed

structure of the ad hoc secretariat of the Committee on Desertification consists of one D-2, two D-1 and three P-5 posts. In view of the above, the Committee recommends that the grade structure of these two secretariats be reviewed.

IV.11. Furthermore, the Committee notes that the ad hoc secretariat on desertification has been budgeted for the entire 1994-1995 biennium at $3,282,700 at 1994-1995 rates (see table 8.25 and para. 8.158 of the proposed programme budget). The Advisory Committee recalls that the Convention will be finalized in June 1994 (see para. 8.155 of the proposed programme budget) and the General Assembly, in its resolution 47/188, programmed these activities for 1994 only (see para. 8.157 of the proposed programme budget). In view of the above, the Committee recommends that, at the present stage, provision be made for 1994 only, with a consequential provisional reduction of $1,641,400 at 1994-1995 rates; provision for 1995 is subject to the decision by the General Assembly on the matter at its forty-eighth session.

IV.12. According to table 8.4, provision is made for eight standing intergovernmental and expert organs and three international conferences in 1994-1995. The Committee is of the view that the cost for conferences and related travel is high and that the criteria for inviting a large number of individuals to conferences (see para. 8.33 of the proposed programme budget) should be indicated in the budget document and the number of participants limited. The Committee believes that there is a need for guidelines on the role of eminent persons and the criteria for inviting them to a number of international conferences.

IV.13. The Committee believes that the venue of intergovernmental meetings should be based on intergovernmental decisions. In this connection, the General Assembly, in its resolution 47/212 B II, paragraph 7, requested the relevant intergovernmental bodies to report as soon as possible to the General Assembly on the matter in the light of its resolution 40/243.

IV.14. The Committee notes that staff requirements for conferences are not indicated in a consistent manner (see para. 8.30 of the proposed programme budget) and should be specified under general temporary assistance in work-months for each level.

IV.15. With regard to the proposed United Nations contribution ($500,000) to the financing of the activities of Non-governmental Liaison Services (see para. 8.43 of the proposed programme budget), the Committee was informed that the provision results from the decision by ACC in 1992 (ACC/1992/24) that these activities would become a project to be financed through cost-sharing arrangements by the participating organizations in 1994-1995. The Committee is of the view that, at present, there is no legislative mandate for these activities, and recommends the consequential deletion of $528,100 at 1994-1995 rates (see table 8.7). The Secretary-General may wish to resubmit the matter to the General Assembly in an appropriate manner.

IV.16. The Committee questions the need for a 50 per cent resource growth ($55,600) for the United Nations share of the costs of the Committee for the Promotion and Advancement of Cooperatives (COPAC) (see para. 8.108 of the proposed programme budget) and related requirements for travel ($56,700) (see para. 8.106 of the proposed programme budget). The Advisory Committee requests the Secretary-General to submit to it a report on the long-term need for the United Nations continuing participation in COPAC financing. In the meantime, the Advisory Committee recommends the deletion of the resource growth of $58,900 at 1994-1995 rates.

IV.17. The Committee notes under general operating expenses for programme support (see para. 8.166 of the proposed programme budget) the proposal that the abolition of the provision for rental of premises for the World Food Council (WFC) secretariat at Rome ($445,000) following the transfer of activities to New York be partly utilized ($120,000) for the acquisition of data-processing and office automation equipment of the Department. The Committee is of the view that the proposal to use savings under general operating expenses for the purchase of furniture and equipment is not fully justified in the budget document and needs to be substantiated under the expenditure item for furniture and equipment. In view of the above, the Committee recommends the abolition of the entire provision for rental of premises for the WFC secretariat at Rome ($445,000), or a consequential reduction of $126,700 at 1994-1995 rates under furniture and equipment.

Section 9. Department for Economic and Social Information and Policy Analysis

IV.18. The Secretary-General proposes to establish six additional posts (1 D-2, 1 P-3 and 4 P-2/1) for activities on micro-economic issues (see para. 9.38 of the proposed programme budget) and the reclassification of one P-5 post in the Statistical Division to the D-1 level (see para. 9.73 of the proposed programme budget). The Committee notes that the Department has already 163 Professional posts on its staffing table. The Committee believes that there is a need for an evaluation of the cost-effectiveness and efficiency of the Department's activities, especially whether the restructuring has achieved a rationalization of the working arrangements. Considering that an analysis of the additional workload of the Department is needed as well as the possibility of redeployment of posts within the Department, the Committee recommends the deletion of the proposed additional six posts (1 D-2, 1 P-3 and 4 P-2/1).

IV.19. Furthermore, in view of the current large number of senior posts in the Statistical Division (1 D-2, 5 D-1 and 12 P-5), and in accordance with what is stated in chapter I above, action on the proposed reclassification of one P-5 post to the D-1 level is being deferred.

IV.20. The Committee is of the view that the resource growth of $186,000 for furniture and equipment, or about 100 per cent (see table 9.2), is not fully justified in the budget document and therefore recommends a reduction of $98,300 at 1994-1995 rates.

IV.21. The Committee points out that there is a proliferation of publications issued by this Department, including 17 on global development policy analysis (see paras. 9.32-9.36 of the proposed programme budget), 62 on population (see paras. 9.49-9.53 of the proposed programme budget) and 98 on statistics (see paras. 9.67-9.71 of the proposed programme budget) as well as a large amount of technical material. Furthermore, the Committee notes that the Secretary-General has not implemented the proposal to publish annually a global report on the current world economic and social situation, in coordination with the regional commissions and in close interaction with UNCTAD and other concerned organizations, and to report on his review of the linkages between this report, the announced policy report and existing reports such as the World Economic Survey and the Report on the World Social Situation (A/C.5/47/88, para. 39). The Committee reiterates its concern about the potential for duplication of activities between the three new departments and UNCTAD and emphasizes the need for more cost-effective use of resources (A/46/7, para. 27). In this connection, the Committee was not convinced of the need for contractual services of $77,800 before recosting (see para. 9.27 of the proposed programme budget)

and believes that the material for publication could be prepared by the existing staff. The Committee recommends a reduction of $82,300 at 1994-1995 rates.

IV.22. The Committee is of the view that the coordination of the Department's work programme with the regional commissions, including statistics, needs to be enhanced to ensure coherence of the activities on economic and social issues. The Committee believes that the activities indicated under paragraph 9.5 of the proposed programme budget closely relate to the programme of work of the Department for Policy Coordination and Sustainable Development and need to be reviewed to avoid duplication.

IV.23. The Committee is of the opinion that the Department's functions on population need to be clarified in relation to UNFPA. The Committee was informed that the Population Division is primarily involved in substantive work while UNFPA deals more with operational activities and fund-raising. The Committee believes that the additional population activities could be carried out without an increase in resources ($73,800) (see table 9.10) through more efficient management and rationalization of the work programme. In view of the above, the Committee recommends a consequential reduction of $79,500 at 1994-1995 rates.

IV.24. The Committee notes from table 9.10 that the extrabudgetary resources for population are estimated to decrease from $21.9 million to $16.1 million, while the number of extrabudgetary posts is increasing from 19 to 28. The Committee recommends that the proposed number of temporary posts be reviewed in the light of the resources available.

IV.25. The Committee is of the view that the estimated costs for temporary assistance for meetings of $445,100 before recosting for the preparation and servicing of the International Conference for Population and Development in September 1994, equivalent to 12 work-months for one D-1, one P-5, one P-4 and two General Service posts (see para. 9.20 of the proposed programme budget), are high and that there is a potential for savings in using the existing staff of the Population Division. The Committee recommends a provision of six work-months, or a consequential reduction of $230,800 at 1994-1995 rates.

IV.26. The Committee requests the Secretary-General to provide more details to the General Assembly on the economic and social information system that will encompass data collection, processing, storage, exchange and dissemination of economic and social information to users for policy-making (see para. 9.7 of the proposed programme budget).

Section 10. Department for Development Support and Management Services

IV.27. The estimate for section 10, Department for Development Support and Management Services, amounts to $30,130,200 as shown in table 10.1 of the proposed programme budget; extrabudgetary resources are estimated at $199,124,000, reflecting a decrease of approximately $99.6 million from the previous biennium. The Committee notes that, as shown in table 10.1 (2), most of this decrease relates to the expected reduction in income earned in respect of operational projects; the decrease in respect of services in support of other United Nations organizations and extrabudgetary activities is less significant. No explanation for this was provided to the Committee.

IV.28. The responsibilities of the Department and related activities correspond, in whole or in part, to the programmes enumerated in paragraph 10.8 of the proposed programme budget, including natural resources and energy.

However, the Secretary-General states that some of the responsibilities related to natural resources and energy may be affected by decisions that may be taken on decentralization; consequently the resources attached to these programmes are subject to change. In view of this, the Secretary-General also states that no detailed description of the activities to be undertaken by the Department under these programmes is provided. Notwithstanding the above, one new D-2 post is proposed under this programme as shown in table 10.13 of the proposed programme budget; however, no justification is provided.

IV.29. In addition to the above, the Advisory Committee's review of section 10 was hindered by the fact that the reference to organizational units/divisions in the proposed programme budget, acknowledged as provisional by the Secretary-General in paragraph 10.11, has little relation to the current organigram as provided to the Committee. A determination of the necessary level of staff resources was therefore difficult. In this connection, the Committee notes that, as of October 1993, the structure of the Department comprises a Division for Development Policies and Planning and a Division of Public Administration and Development Management, in addition to the Executive Office, and a proposed OPS entity, in view of the planned integration of OPS into the Department.

IV.30. Despite this organizational structure, the Advisory Committee notes that section 10 currently has five D-2 posts (2 established and 3 extrabudgetary); as mentioned above, the creation of an additional D-2 established post is proposed. The Committee sees little justification for this request, not only because there appears to be a surplus of D-2 posts but also because, as mentioned above, it has been requested in relation to programmes for which the activities and related resources are, at this stage, not yet determined. Furthermore, the Committee was informed by representatives of the Secretary-General that in the current structure, activities relating to natural resources and energy will be carried out by the Division for Development Policies and Planning, i.e. no separate division exists for natural resources and energy.

IV.31. In line with the above, the Committee finds it difficult to comment on the entire staff complement being proposed, i.e. 179 established posts and 138 extrabudgetary posts (see table 10.3). The total of 179 established posts includes the addition of one P-4 post in the Office of the Under-Secretary-General as discussed in paragraph 10.21 of the proposed programme budget, and the abolition of 13 posts described in paragraphs 10.31 and 10.43.

IV.32. Compounding the problem, the Advisory Committee notes that the resources required under section 10 may be affected by the integration of OPS into the Department, as a self-financing, semi-autonomous entity. In this connection, the Secretary-General, in paragraph 10.54, states that 55 extrabudgetary posts are potentially slated for merger with OPS; however, the actual level of resources and the numbers and levels of posts to be merged will be determined only after the organizational and working arrangements concerning the integration are finalized.

IV.33. The Advisory Committee's comments concerning the modalities of that integration are contained in document A/48/7/Add.1. The Committee recognizes that, because those modalities were not finalized at the time of budget preparation, the impact of that integration could not be shown. At the same time, recalling the Secretary-General's statement in document A/C.5/47/88 that the incorporation of OPS in the Secretariat will eliminate duplication and realize the potential for economies, the Committee points out that the integration may affect not only the level of extrabudgetary support required, but also regular budget support. Therefore, at this stage, it is difficult to comment on the level and number of both regular and extrabudgetary posts shown under section 10 and the related resources.

IV.34. In the circumstances, the Advisory Committee is unable to recommend approval of the Secretary-General's estimate of $30,130,200 for section 10. It recommends instead that the General Assembly, pending the submission of revised estimates that take into consideration the impact of the integration of OPS into the Department and decisions on decentralization, approve a provisional amount of $29,212,700.

IV.35. Bearing in mind its comments above, the Advisory Committee also requests the Secretary-General to review the necessity of the three existing extrabudgetary D-2 posts and report to the Advisory Committee.

Section 11A. United Nations Conference on Trade and Development

IV.36. The Committee observes that few subprogrammes make reference to the restructuring exercise and that the relationship of UNCTAD with the regional commissions and UNDP is not indicated in the budget document. The Committee recalls from General Assembly resolution 47/212 B II that the restructuring in the economic and social sectors entails the decentralization of activities to the field and to the regional commissions in accordance with its resolution 47/199 and the agreed criteria on the basis of clearly identified relative advantages. Moreover, in accordance with that resolution greater coordination and complementarity between Headquarters departments, UNCTAD, UNDP, and the regional commissions, in particular in support of the programmes on Africa and the least developed countries, is also required. The Committee stresses the importance of appropriate coordination mechanisms pursuant to the Assembly's request in resolution 47/212 B II.

IV.37. The Committee recommends that the Secretary-General of UNCTAD continue with his efforts to streamline the staffing structure of his Executive Office (see para. 11A.21 of the proposed programme budget), including the number of General Service posts, with a view to identifying functions that could be carried out by substantive units.

IV.38. The Committee is of the view that the provision of $827,500 before recosting for consultants and experts in relation to transnational corporations (see para. 11A.159 of the proposed programme budget), including an increase of $500,000 before recosting, or 152.6 per cent (see table 11A.50), is high, taking into account the expertise and the large number of Professional staff of UNCTAD. In view of the above, the Committee recommends a reduction of $269,000 at 1994-1995 rates.

IV.39. The Committee was also not fully convinced of the need for a provision of $1 million before recosting for contractual services, including an increase of $262,300, or 34 per cent (see table 11A.2), consisting of the printing of various publications as well as programme support ($518,200) (see table 11A.52), including training of staff in electronic-data-processing applications and word-processing ($300,000) (see para. 11A.167 of the proposed programme budget). The Committee is of the view that more publications should be printed internally, making maximum use of facilities available, including the United Nations Office at Geneva, and that the estimates for training of staff in word-processing appear to be high. In view of the above, the Committee recommends a reduction of 25 per cent, or $271,200 at 1994-1995 rates, under contractual services.

IV.40. The Committee notes the provision of $980,200 for maintaining office automation and EDP equipment (see para. 11A.168 (a) of the proposed programme budget), $1.6 million for related supplies and material (see para. 11A.169 of the proposed programme budget) and an additional $1.6 million for the

acquisition of such equipment, representing an increase of 155 per cent under furniture and equipment (see table 11A.52). While the Committee fully supports the ongoing automation process, it is of the view that the provision of a total of $4.2 million before recosting for automation, despite the ongoing modernization, is too high, taking into account the current technological infrastructure. In view of the above, the Committee recommends a consequential reduction of $210,800 under supplies and materials and $210,800 under furniture and equipment at 1994-1995 rates. The Committee requests that the benefits of the automation process for UNCTAD be indicated in the revised 1994-1995 budget.

IV.41. The Committee was informed that the programmes on transnational corporations and science and technology have been integrated into the new Transnational Corporations, Technology and Investment Division. In this connection, the Committee recalls that the General Assembly, in its resolution 47/212 B III, requested the Secretary-General to provide adequate resources and identify clearly units for the implementation of all programmes and activities, including transnational corporations and science and technology for development and social development. The Committee notes that this has not been done. In view of the above, the Committee requests the Secretary-General to take necessary measures to implement the General Assembly's request to strengthen the coordination of the activities on science and technology with UNDP for better management of the United Nations Fund for Science and Technology for Development and to ensure that all activities related to transnational corporations are kept integrated; implementation of these measures should be reported to the General Assembly in due course. The Committee further requests that the Secretary-General indicate improved programme delivery with regard to transnational corporations and science and technology as well as economies of scale as a result of the restructuring. In this connection, the Committee recalls the need for the Secretary-General, as noted by the General Assembly in its resolution 47/212 B III, to review the resources allocated to the departments, including UNCTAD, involved in the restructuring in the context of established procedures for the preparation of the 1994-1995 programme budget with a view to ensuring effective programme delivery, taking into account workload standards and other management techniques, as requested by the General Assembly in its resolution 47/212 A I.

IV.42. The Committee was informed that UNCTAD was pursuing its efforts to rationalize its publication programme, including the Trade and Development Report. These efforts should be made, taking into account the need to avoid any duplication with the World Economic Survey. The Committee recommends that the results of this exercise, including economies of scale, be reported to the General Assembly in due course.

Section 11B. International Trade Centre UNCTAD/GATT

IV.43. The Committee was informed that the Executive Director of the International Trade Centre has not yet been appointed although the General Assembly, in its resolution 47/212 B I, requested the Secretary-General to pursue, as a matter of urgency, his efforts to agree with the Director-General of GATT on a prompt appointment to the post at its present level. Furthermore, the Committee was informed that for almost two years three top management posts have been vacant, including the head of administration of the Centre. The Committee expresses its concern about the continued delay in the filling of these posts which has seriously hampered the Centre's management for an extensive period of time. The Committee requests the Secretary-General to take prompt action and indicate the situation in an addendum to his report on high-level posts (A/C.5/48/9).

IV.44. The Committee recalls that ITC is being operated jointly in equal partnership by UNCTAD and GATT and that the proposed programme budget of ITC for 1994-1995 is $40,574,100, of which $609,700 will be met from income, leaving an amount of $39,964,400, to be contributed in equal portions of $19,982,200 by the United Nations and GATT (see para. 11B.1 of the proposed programme budget). In this connection, the Committee was informed of GATT's decision, at this stage, to approve its share of ITC expenditures in 1994-1995 for 1994 only at a reduced rate of $9,773,700, which makes another provision for income at $304,900, and to ask for a change in the administrative arrangements with a proposed annual budget for ITC in Swiss francs as from January 1995. In view of the above, the Committee recommends to grant ITC the estimated United Nations share in an amount of $19,982,200 for the biennium 1994-1995 (see table 11B.1), including a provisional amount of $9,991,100 for 1995 subject to new arrangements between the United Nations and GATT.

Section 12. Environment and human settlements

IV.45. The Committee observes that the resources contained in sections 12A and 12B are to be administered as one appropriation section. The Committee notes that one under-secretary-general post has been fully budgeted for the Executive Director of UNEP (see table 12A.3) and one for the Executive Director of Habitat (see table 12B.3) respectively, each with a separate and large administrative structure. In this connection, the Committee recalls that the General Assembly, in its resolution 47/212 B I, requested the Secretary-General, inter alia, to report in the proposed programme budget for 1994-1995 on future secretariat support arrangements for UNEP and Habitat, including the question of separate senior management arrangements for Habitat.

IV.46. The Committee recalls its observations on the current arrangements for conference-servicing of intergovernmental bodies convened at Nairobi (A/46/7/Add.5) and at ECA (A/46/7/Add.1). Bearing in mind that the current conference-servicing arrangements, especially at ECA, are not efficient and appear to be not the most economical and practical solution in the long term, the Committee requests that the Secretary-General review the total workload for conference-servicing in Nairobi and Addis Ababa with a view to establishing the most cost-effective arrangement for conference services for the two locations.

Section 12A. United Nations Environment Programme

IV.47. The Committee questions the need for a separate unit for the United Nations Scientific Committee on the Effects of Atomic Radiation at $940,800 at 1994-1995 rates with three full-time staff members (1 D-1 and 2 General Service), providing assistance for one annual one-week session of the Scientific Committee and preparation of its next report in 1998-1999 (see para. 12A.23 of the proposed programme budget). The Committee was also not fully convinced of the need for consultancy at $156,000 before recosting to prepare reports for the one-week annual session of the Scientific Committee. In view of the above, the Committee recommends a review of the location of the secretariat of the Scientific Committee, including the feasibility of establishing cooperative arrangements with the International Atomic Energy Agency.

Section 12B. United Nations Centre for Human Settlements (Habitat)

IV.48. According to table 12B.7, a provision of $1.3 million at 1994-1995 rates is made for the United Nations Conference on Human Settlements (Habitat II), including temporary assistance of $694,000 before recosting for 24 work-months for one D-1 (Nairobi), one P-5 (Geneva) and one General Service (see para. 12B.21 of the proposed programme budget) and $97,200 for travel (see para. 12B.23 of the proposed programme budget). The Committee questions the use of temporary assistance to finance a number of temporary posts for a long period of time.

Section 13. Crime control

IV.49. The Committee expresses its concern that the extrabudgetary resources of the programme are decreasing rapidly and no temporary staff of the Crime Prevention and Criminal Justice Branch will be financed in 1994-1995 from extrabudgetary resources. The Committee believes that operational activities and certain functions carried out by consultants should be financed from extrabudgetary resources.

IV.50. The Secretary-General proposes to establish three new posts: one P-4 for launching the expanded programme in operational activities, one P-4 for establishing and maintaining the databases and one P-3 for assistance in research and analysis (see para 13.16 of the proposed programme budget). Considering the additional tasks assigned to the Branch following the establishment of the Commission under General Assembly resolution 46/152, the Committee recommends approval of the proposals.

IV.51. The Committee understands that the head of the Branch is directly servicing the intergovernmental bodies while reporting administratively to the Director-General of the United Nations Office at Vienna. The Committee recommends that the Secretary-General define the role of the Director-General of the United Nations Office at Vienna regarding a number of specialized units in Vienna such as the Crime Prevention and Criminal Justice Branch, the Office for Outer Space Affairs, the secretariat of the International Year of the Family and any secretariats of intergovernmental bodies such as the United Nations Scientific Committee on the Effects of Atomic Radiation and his supervisory functions in administrative and substantive terms. This assessment should include a review of the organizational location of the Branch in Vienna, taking into account the fact that UNDCP is also located in Vienna, as are other United Nations agencies.

Section 14. International drug control

IV.52. As indicated in table 14.1 of the proposed programme budget, the extrabudgetary resources of UNDCP are estimated at $197 million for 1994-1995. In this connection, the Committee recalls that, according to the recent report of the Executive Director of UNDCP (E/CN.7/1993/14, table 1), extrabudgetary resources are now estimated at $187.9 million. The Committee notes that no reference is made in section 14 to the administrative and financial arrangements of UNDCP despite the fact that the Programme is an integrated operation financed by regular and extrabudgetary resources. In view of the above, the Committee believes that there is a need for a more coordinated and coherent budget presentation of programme support by the United Nations Office at Vienna (sect. 25.I) to international drug control and refers to its report on the proposed initial programme budget of UNDCP for 1994-1995 (E/CN.7/1993/17).

IV.53. It is proposed to regularize the under-secretary-general post of Executive Director of UNDCP, who is concurrently serving as Director-General of the United Nations Office at Vienna as of March 1992, to an established post (see paras. 14.10-14.13 of the proposed programme budget). The Committee recommends approval of this proposal.

IV.54. The Committee is of the opinion that some subprogrammes appear to be overlapping and therefore recommends a simplification of the programme structure such as merging closely related subprogrammes with regard to treaty implementation; this would enhance transparency, programme delivery and a proper balance of the overall programmatic structure.

IV.55. The Committee further considered the note by the Secretary-General (A/C.5/48/7) on action taken to give effect to the decisions of the General Assembly in its resolution 46/185, part C, section XVI, with regard to the administrative and financial arrangements of the Programme in the context of its report on the proposed initial programme budget of UNDCP for 1994-1995 (E/CN.7/1993/17). The Committee endorsed the actions taken and recommended that the Secretary-General and the Executive Director of UNDCP closely monitor and keep under review the current arrangements in the light of the ongoing restructuring exercise at the United Nations and the implications for the structure of the United Nations Office at Vienna. The Committee requested that the Executive Director keep the Committee informed of further developments with regard to the administrative and financial arrangements of the Programme.

PART V. REGIONAL COOPERATION FOR DEVELOPMENT

V.1. Part V of the proposed programme budget covers sections 15 to 20 comprising ECA ($82,738,300), ESCAP ($64,699,300), ECE ($46,289,400), ECLAC ($90,001,100), ESCWA ($43,227,500), and the regular programme of technical cooperation ($45,371,000).

V.2. The Advisory Committee believes that there are a number of elements common to all the regional commissions that have either not been properly presented in the proposed programme budget or have not been taken into consideration.

V.3. The Committee notes that in most of the regional commissions, with the exception perhaps of ECE, the administrative structures are rather large and cumbersome and do not reflect a streamlined programme of work and priorities. The Committee was informed that the reorganization of the administrative structures in all of the Commissions was under way; the Committee believes that a full description of such administrative reorganization as may be under way should have been included in the proposed programme budget with a clear indication of the completion dates and expected results. Upon inquiry, the Advisory Committee was informed that, with the exception of ECA, the regional commissions had not been subject to overall evaluation.

V.4. The publications programmes of all of the regional commissions should also be reviewed, assessed and streamlined with a view to avoiding duplication. Resources thus released could be diverted to other activities.

V.5. With respect to travel for the collection of data, the collection of information or on-site research, the Advisory Committee reiterates its comment that, while not questioning the necessity of such travel, the Committee trusts that strict control will be maintained over expenditures in this area (see A/47/7, para. 26.8).

Section 15. Economic Commission for Africa

V.6. As stated in paragraph 15A.5 of the proposed programme budget, the proposals for ECA would entail a growth rate of 2.6 per cent. The overall level of resources would reflect, inter alia, the transfer of three Field Service posts from the Field Operations Division and the reclassification of two posts under Administration and common services (1 P-2 to P-3 and 1 Local level to P-2).

V.7. An amount of $1,147,200 has been included in the overall estimate for grants to the African Institute for Economic Development and Planning (IDEP) and the United Nations African Institute for the Prevention of Crime and the Treatment of Offenders (UNAFRI).

V.8. With regard to IDEP, the Advisory Committee recalls that in 1991, after more than 20 years of subsidization by UNDP, four Professional posts at the Institute were being financed by the United Nations through a grant, and that at its forty-sixth session the General Assembly had decided to provide a grant for the biennium 1992-1993 to cover the costs of those posts.

V.9. In view of UNAFRI's continuing financial difficulties, an amount of $204,800 (relating to administrative costs to finance the posts of Director and Deputy Director) has been requested in paragraph 15A.42 of the proposed programme budget for the biennium 1994-1995, on the understanding that a report

will be submitted to the General Assembly at its forty-ninth session. The Advisory Committee recommends acceptance of this request.

V.10. The Advisory Committee requests that every effort be made to ensure the collection of outstanding contributions to the Institute. The Advisory Committee also recommends that the General Assembly be given complete and precise information on the measures taken by IDEP, as referred to in paragraph 15A.22 of the proposed programme budget.

V.11. The Committee was informed that, as a result of decentralization, approximately $8.2 million or 22 regional advisers would be made available to ECA from section 20 (Regular programme of technical cooperation) of the proposed programme budget, and that the bulk of these resources are proposed to go to the Multinational Programming and Operational Centres (MULPOCs). The Advisory Committee reiterates its comments made in the context of reporting on the proposed programme budget for the 1992-1993 biennium that, in the process of strengthening the MULPOCs and ensuring that they function effectively, it would be necessary to clarify further the role of the secretariat of ECA and MULPOCs in programme formulation and implementation; every effort should be made to avoid duplication of activities and to clarify further the role of the Executive Secretary of the Commission and the committees of intergovernmental experts of the MULPOCs in supervising the MULPOCs.

Section 16. Economic and Social Commission for Asia and the Pacific

V.12. In ESCAP, the 15 former subprogrammes have been merged into 6 subprogrammes. However, the criteria used for merging them and the implications of the merger on the administrative structure to carry out the programme of work effectively, have not been explained. In its resolution 48/2 the Commission had "invited the Executive Secretary to reorganize the secretariat so as to enhance its capability to service the thematic intergovernmental structure subsidiary to the Commission and implement its revised programme of work". The Commission also urged that "for optimum benefit, the restructuring exercise be accompanied by the introduction of more effective and relevant programmes and the elimination of marginal ones, and that to ensure the efficient use of resources, duplication should be avoided". The Advisory Committee was informed that implementation of the Commission's recommendations would be submitted to the Commission at its next meeting in early 1994.

V.13. The Committee notes from paragraph 16.7 of the budget submission that the subsidiary bodies of the Commission have been reduced from nine to seven; however, the budget submission does not indicate whether this would have any effect on the conference-servicing requirements.

V.14. As indicated in paragraph 16.49 of the proposed programme budget, the Secretary-General has proposed reclassification of one P-4 post to the P-5 level and one P-3 post to the P-4 level. With regard to extrabudgetary posts, the Committee believes that these should be in such numbers as can be supported by extrabudgetary income. The Committee was informed that out of the 29 extrabudgetary Professional posts shown in table 16.3 of the submission, 24 were funded bilaterally by Governments and that support costs were being charged by ESCAP for these posts.

Section 17. Economic Commission for Europe

V.15. Following a decision of the Commission, the subprogrammes under this section of the proposed programme budget have been restructured and as a result two subprogrammes, Science and technology and Industrial development, have been merged. The priorities of ECE are reflected in paragraph 17.7 of the proposed programme budget.

V.16. The Committee was informed that an attempt has been made to allocate resources as well as to set up an administrative structure to correspond to the priorities indicated by the Commission. However, the Committee was informed that the future of the Joint ECE/Centre on Transnational Corporations (CTC) Unit within the administrative structure was yet to be determined in view of the recent transfer of the Centre to Geneva. The Advisory Committee requests that ECE review and report on this issue.

V.17. The Advisory Committee notes that extrabudgetary resources as indicated in table 17.1 in the budget submission are considerably less than the other regional commissions. These resources need to be better identified in the submission. Resources for expert bodies committees and other activities supported by Member States should be clearly indicated, together with the appropriate support costs charged.

V.18. The Committee notes from paragraph 17.8 of the submission that resources for administration, conference and general services of ECE are not included under its own programme budget but under sections 25 E and H. Programme support, therefore, as reflected in tables 17.1 and 17.28, amounts to $4,019,300.

V.19. The Advisory Committee notes from paragraph 17.5 of the proposed programme budget that "since 1975 ECE has functioned as an implementing agency of the Conference on Security and Cooperation in Europe (CSCE) in economic and environmental matters". In this connection, the Advisory Committee points to paragraph 32.4 of the United Nations medium-term plan for 1992-1997, which reflects the situation in greater detail and clarity.

Section 18. Economic Commission for Latin America and the Caribbean

V.20. With regard to the Commission's recommendations vis-à-vis the programme of work, the Advisory Committee was informed that ECLAC's administrative structure would be reorganized and some of the present units would be combined. The Advisory Committee recommends that the results of this restructuring be reported to the General Assembly.

V.21. The Advisory Committee was informed that the main increase in the requirements for the subregional headquarters in Mexico City was due to the soaring rental costs in that city. No regular budget staff resources have been requested for the Montevideo office for the biennium 1994-1995.

V.22. As with the other regional commissions, the Advisory Committee notes that there is a sharp decline in extrabudgetary resources available to ECLAC. The Committee cautions that extrabudgetary activities, and particularly the number of staff involved in such activities, should be in such numbers as can be sustained by extrabudgetary resources.

V.23. As indicated in paragraphs 18.68 and 18.80 of the proposed programme budget, the Secretary-General is proposing reclassification of one local level

post to the P-2 level and one General Service level post to the P-2 level as well.

Section 19. Economic and Social Commission for Western Asia

V.24. The Advisory Committee was informed that the major issue of concern with regard to ESCWA was the permanent location of its secretariat. Since 1982 the secretariat had been located in Baghdad but had been temporarily moved to Amman in 1991 in view of the Gulf crisis.

V.25. The Advisory Committee was informed that, up to October 1993, only about 40 per cent of the work programme of ESCWA for the current biennium had been implemented. With regard to its future work programme vis-à-vis the administrative structure, the Committee was informed that the Technical Committee of the Commission had reviewed the work programme and that the administrative structure would accordingly be reorganized. The Advisory Committee recommends that this reorganization be undertaken without further delay with a view to streamlining the profusion of sections and units now in existence.

V.26. As indicated in paragraph 19.6 of the programme budget, the Secretary-General is proposing reclassification of one P-4 post to the P-5 level and four local level posts to the P-2 level.

Section 20. Regular programme of technical cooperation

V.27. As stated in paragraph 20.1 of the budget submission, the regular programme of technical cooperation complements assistance available to developing countries under other programmes. Details of activities under this section and the distribution of funding are described in paragraphs 20.2 to 20.8 of the budget submission.

V.28. As a result of the restructuring of the Secretariat in the economic and social sectors and consequent decentralization, the regional commissions will have additional resources in the total amount of $27,996,200 made available to them. The breakdown of these resources, including regional adviser posts, between the regional commissions is reflected in tables 20.4 and 20.5 of the submission. In keeping with past practice, the Advisory Committee transmits the estimates under section 20 to the General Assembly for appropriate action.

PART VI. HUMAN RIGHTS AND HUMANITARIAN AFFAIRS

VI.1. The Secretary-General's estimate for part VI comprises $38,465,000 after recosting under section 21, $47,750,200 under section 22A, $22,248,600 under section 22B and $20,306,300 under section 23.

Section 21. Human rights

VI.2. The staff costs for the Centre for Human Rights include the redeployment of 19 posts, conversion of 12 temporary posts (6 Professional and 6 General Service) into established posts and the creation of 24 new posts (8 Professional and 16 General Service). In addition, the amount of $951,000 is being proposed for general temporary assistance (see para. 21.27 of the proposed programme budget). Upon inquiry, the Advisory Committee was informed that these proposals were based on submissions before the results of the World Conference on Human Rights held in Vienna were known. The Advisory Committee did not receive the additional information it had requested on the questions of redeployment, conversion and creation of posts. This information would include a clear table indicating current posts, the precise description of the functions to be performed with regard to the 55 posts involved, an explanation of the programmatic justifications of the redeployment and an update on what was going on in the Third Committee with regard to the Vienna Conference. Under the circumstances, the Committee is not in a position to decide on those issues until the Secretary-General has provided the additional information requested by the Committee. Pending the receipt of this information, the related estimates should be considered as provisional.

Section 22A. Office of the United Nations High Commissioner for Refugees

VI.3. As indicated in paragraph 22A.1 (2) of the proposed programme budget, extrabudgetary resources expected to be available to UNHCR in 1994-1995 are projected at $1,496,724,200, comprising $1,380,282,200 for operational projects and $116,442,000 for extrabudgetary activities. The above amount represents a decrease of $273,282,000 over the original estimate for 1992-1993 of $1,770,006,200.

VI.4. The Advisory Committee notes that the present UNHCR overall staffing establishment located at Geneva and in the field is financed from a mix of United Nations regular budget resources and the UNHCR voluntary budget. As shown in table 22A.2 and paragraph 22A.20 of the proposed programme budget, the 1992-1993 regular budget finances a total of 244 UNHCR posts (89 Professional and 155 General Service posts) located at Geneva instead of being distributed between Geneva and field offices as a consequence of the new agreement reached between the Secretary-General and the High Commissioner with regard to administrative expenditures relating to the Office of the High Commissioner that should be borne by the regular budget of the United Nations in accordance with article 20 of the statute of UNHCR.

VI.5. According to paragraph 22A.21 of the proposed programme budget, the Executive Committee of UNHCR, in the light of the continued financial difficulties faced by UNHCR, the increasing demands being made on the Office and the related increases in administrative expenditures, urged the High Commissioner to enter into negotiations with the Secretary-General "to proceed with the transfer of the already agreed posts of chiefs of mission in 17 designated least developed countries from UNHCR voluntary funding to the

regular budget as from the biennium 1994-1995". As a result of a review of the current arrangements, it is proposed that the posts of mission in the least developed countries (2 D-2, 4 D-1, 9 P-5, 2 P-4) be recognized as a proper charge to the regular budget and brought under the regular budget on a phased basis. For 1994-1995, it is proposed to include one additional P-5 and one P-4 post in the regular budget, resulting in an increase of $398,700 for staff costs (see para. 22A.22 of the proposed programme budget).

VI.6. The background for the current arrangements is described in paragraphs 22A.20 and 22A.21 of the proposed programme budget. These arrangements were further described in paragraph 29A.13 of the proposed programme budget for 1992-1993 and in paragraphs 21.5 to 21.7 of the proposed programme budget for 1990-1991. As indicated in paragraph 22A.20, these arrangements are supposed to remain unchanged for the four biennial periods subsequent to 1990-1991. In this connection, the Committee recalls its observation in paragraph 29A.6 of its first report on the proposed programme budget for 1992-1993, that the situation has not changed significantly since 1989; the Committee has not been provided with additional information that would warrant a change in the funding of the UNHCR staffing establishment agreed to at the time by the Secretary-General and the High Commissioner. The Committee recalls General Assembly resolution 46/185 C XX and, having examined the current proposal, maintains its previous position. In view of the aforesaid, the Committee does not support the proposals referred to in paragraph VI.5 above and therefore recommends a consequential reduction of $372,200 under staff costs for 1994-1995.

Section 22B. United Nations Relief and Works Agency for Palestine Refugees in the Near East

VI.7. A total of 92 regular budget established posts are proposed for 1994-1995 for UNRWA. The Advisory Committee notes that, while in table 22B.2 of the proposed programme budget there is one assistant secretary-general and one D-2 post, in the submission of the Commissioner-General on the proposed budget for 1994-1995 dated 6 August 1993, there is no assistant secretary-general post and there are two D-2 posts. In this connection, the Committee draws attention to this discrepancy and recommends that, during the preparation of budget documents, care should be taken to avoid discrepancies.

VI.8. As shown in table 22B.2 of the proposed programme budget, the number of extrabudgetary posts for 1994-1995 is 71, the same number as in 1992-1993.

Section 23. Department of Humanitarian Affairs

VI.9. The Advisory Committee notes from paragraph 23.7 of the proposed programme budget that offices of the Department of Humanitarian Affairs would be located in New York and Geneva. In this connection, the Committee invites the Secretary-General to undertake a performance evaluation of the Department and to continue integrating the various units in both New York and Geneva with a view to enhancing proper coordination between them. In the opinion of the Committee it would be useful to present a clearer picture of the responsibilities allocated to New York and Geneva and to avoid as much as possible subprogrammes being undertaken by both offices.

VI.10. The Advisory Committee also notes the statement in paragraph 29 of the introduction to the proposed programme budget that, given the trend towards a concentration of extrabudgetary funding on specific relief operations carried out by the Department of Humanitarian Affairs, the Secretary-General intends to keep under review the possibility of funding a larger proportion of core

functions of the Department through the regular budget. The Committee points out that the extent to which the regular budget backstops extrabudgetary activities is a policy decision that is decided upon by the General Assembly on a case-by-case basis. The Advisory Committee notes from the statement of the Secretary-General in paragraph 23.22 (2) (b) of the proposed programme budget that the World Conference on Natural Disaster Reduction is an extrabudgetary activity. The Committee was informed that consultations are going on with regard to arrangements for the holding of the Conference. In this connection, the Advisory Committee requests the Secretary-General to inform the General Assembly of the results of these consultations.

VI.11. The Secretary-General proposes a staffing table of 79 regular budget established posts for the Department of Humanitarian Affairs for 1994-1995, comprising 1 under-secretary-general, 4 D-2, 6 D-1, 8 P-5, 10 P-4, 8 P-3, 7 P-2/1 and 35 General Service posts including three at the principal level (see table 23.3). According to additional information provided to the Advisory Committee, the Secretary-General is proposing 25 additional posts (11 Professional and 14 General Service) for the Department. Six of these posts are being redeployed to the Department. In accordance with resolution 46/182 of 19 December 1991, the Advisory Committee notes that the primary role of the Department is to coordinate emergency humanitarian assistance rather than to be directly involved with delivery of that assistance. The Advisory Committee was informed that the Secretary-General intends to merge the relief coordination branch and all special emergency programme units in Geneva into a new complex emergencies coordination branch to be headed at the D-1 level. Taking into account the views of the Advisory Committee in the paragraphs above and the additional information provided to it, the Advisory Committee does not recommend acceptance of one D-1 post at Geneva and one D-1 and two P-2 posts in New York. Furthermore the Committee does not recommend acceptance of 3 General Service posts out of the proposed 14 new General Service posts for the Department.

PART VII. PUBLIC INFORMATION

Section 24. Public information

VII.1. The estimate for part VII, section 24 amounts to $135,789,100, after recosting, comprising $88,340,700 for the Department of Public Information, Headquarters; $6,448,500 for the Information Service, Geneva; $2,137,400 for the Information Service, Vienna; $31,310,800 for the United Nations information centres, $2,248,600 for Special conferences; and $5,303,100 for Programme support (see table 24.1).

VII.2. As shown in table 24.1 (2) of the proposed programme budget, extrabudgetary resources expected to be available to the Department of Public Information in 1994-1995 are projected at $4.8 million; $4.5 million is for substantive activities, including $2.3 million for Development Forum. The Advisory Committee was informed that reference to Development Forum meant Development Business, production of the former having ceased in December 1992. In this connection, the Committee requests that, following the demise of Development Forum, staff resources under extrabudgetary resources should be reviewed to take into account this fact.

VII.3. The Advisory Committee notes that the organization and programmatic structure of the Department have been restructured by incorporating within the Department the Dag Hammarskjöld Library and the planning and management of the publications programme, graphic presentation and cartographic services, all transferred from the Office of Conference Services.

VII.4. As a result of the restructuring, the proposed Department of Public Information resource requirements for 1994-1995 will be distributed among three subprogrammes "promotional services", "information services" and "library and publication services". In this connection, the Committee recalls its observation in paragraph 27.5 of its report on the proposed programme budget 1990-1991 and reiterated in paragraph 31.4 of its report on the proposed programme budget for 1992-1993 that "the format and presentation for section 27 [now 24] can be further improved, particulary in respect of providing information that would facilitate understanding of the distribution of DPI resources among the subprogrammes".

VII.5. With regard to the library and publication services, the Committee was informed that only the production part of the publication service was transferred to the Department of Public Information, the sales and marketing aspects being allocated to the Office of General Services. The Committee invites the Secretary-General to review the efficacy of this arrangement.

VII.6. For 1994-1995, the Secretary-General proposes a total of 818 established posts, consisting of 294 posts in the Professional category and above, 268 General Service posts (including 10 at the principal level) and 256 local level posts (see table 24.3). This includes the reclassification of one D-2 post to the D-1 level. The related costs for this item amount to $101.7 million for 1994-1995 (see table 24.2). The Committee was informed that the $101.7 million includes $1.9 million at 1994-1995 rates for general temporary assistance. The Committee believes that, given the proposed establishment of 818 posts, the Department should be able to fulfil its functions effectively with less general temporary assistance. Therefore, the Committee recommends a reduction of $300,000 from the amount of $1.9 million.

VII.7. With regard to the United Nations information centres, the Advisory Committee notes that five Professional posts (1 D-1, 2 P-5, 2 P-4) and 9 local

level posts were abolished. In addition, it is proposed to convert 40 local level posts to the National Officer category (see paras. 24.2 and 24.8 of the proposed budget). On the abolition of the nine local level posts, the Committee observes that the reasons for the reduction have not been spelt out clearly in the budget document.

VII.8. The Advisory Committee has no objection to the proposal to convert the 40 local level posts to the National Officer level. However, it is the view of the Committee that there is a need to justify the conversion in terms of workload. In this connection, the Committee was informed that ICSC was looking into the growth of the National Officer category throughout the United Nations common system with a view to giving further guidelines on the matter. The Committee welcomes this examination and looks forward to receiving the results.

VII.9. As shown in table 24.3 of the proposed programme budget, a total of 45 extrabudgetary posts (6 in the Professional category, 12 General Service, including 1 at the principal level, and 27 local level posts) are expected to be available to the Department in 1994-1995, which is one P-5 post more than available in 1992-1993.

VII.10. As indicated in table 24.2, $15.2 million has been proposed under contractual services. This amount includes $1,017,400 requested in paragraph 24.85 of the proposed programme budget for the external translation of information material for special conferences (see chap. 5 of the proposed programme budget and para. VII.14 below). The Advisory Committee notes that most of these costs are attributable to the fact that services such as translation and printing would be performed externally. The Committee believes that substantial savings could be made if some of these services were to be performed internally. Accordingly, the Committee recommends a reduction of $1.5 million.

VII.11. For 1994-1995, the Secretary-General proposes $9 million for general operating expenses. It is the view of the Committee that many of the items falling under this heading such as the hospitality functions and the rental of equipment and premises could be implemented in a more cost-effective manner. In this respect, the Committee recommends a reduction of $500,000.

VII.12. With regard to supplies and materials for 1994-1995, the Secretary-General proposes $4 million. For the reasons given in paragraph VII.11 above, the Committee recommends a reduction of $400,000.

VII.13. For 1994-1995, the Secretary-General proposes $3.4 million for furniture and equipment. The Advisory Committee believes that, with economy, this amount can be reduced by $300,000.

VII.14. The Advisory Committee notes from paragraph 24.82 of the proposed programme budget that a non-recurrent provision of $2.2 million in 1994-1995 has been included under section 24 for special conferences. It is the view of the Committee that there is a need to implement the special conferences programme in the most cost-effective manner and expects that, wherever possible, resources in the preparation of these conferences will be pooled (see chap. 5 of the proposed programme budget and para. VII.10 above).

VII.15. As indicated in paragraph I.10 above, the Committee has recommended that the activities of the Office of Special Adviser to the Secretary-General for public policy be carried from within the Department of Public Information. This involves the transfer of $570,700 for the transfer of one D-1 post and three General Service posts to that Department.

PART VIII. COMMON SUPPORT SERVICES

VIII.1. The estimate for part VIII of the proposed programme budget covers section 25, Administration and management, and amounts to $927,013,500, distributed among subsections A to E and G to J, as shown in table 25.1. The Advisory Committee notes that a number of the proposals contained in the Secretary-General's report on high-level posts (A/C.5/48/9) have an impact on the structure and requirements of section 25; the Advisory Committee will submit its observations on those proposals separately. In this connection, the Advisory Committee did not consider requirements under section 25 relating to management advisory services, monitoring, evaluation or internal audit; consequently the estimates for these areas should be considered as provisional.

VIII.2. Section 25 contains a number of reclassifications (Professional level) as summarized below. In accordance with chapter I above, consideration of the proposed reclassifications is being deferred.

VIII.3. The estimate of $375,800 for contractual services (at current rates) under section 25B includes provision of $300,000 for data-processing services in relation to the support provided by the Data Analysis and Systems Control Unit, as explained in paragraph 25B.35 of the proposed programme budget. In response to its inquiry, the Committee was informed that such services were previously budgeted for in programme budgets; however, during the 1992-1993 biennium no provision was made in the hope that the work could be handled internally. That expectation proved erroneous, hence the request for the $300,000 for the services in order, as stated, to enhance existing systems and applications that are cumbersome and in need of redesign.

VIII.4. The estimate of $39,362,100 for section 25C, Office of Human Resources Management, includes resource growth (at current rates) of $5,044,200 in respect of contractual services under training (see table 25C.12). In this connection, the Secretary-General, in paragraph 25C.51 of the proposed programme budget, recalls that training has been identified as a priority in the current medium-term plan; moreover, in his statement to the Fifth Committee of the General Assembly at its forty-seventh session, he stated his intention to request additional resources for that purpose. As also indicated in paragraph 25C.53 of the proposed programme budget, various resolutions of the Assembly have encouraged training.

VIII.5. The Advisory Committee notes from paragraph 25C.54 of the proposed programme budget that it is intended to upgrade and refresh professional skills in all occupational groups and that staff in management positions will be trained in the context of the Comprehensive Management Development Programme, which, as stated in paragraph 25C.52 of the proposed programme budget, was begun in 1993 with extrabudgetary resources. The proposed activities under this programme in 1994-1995 are enumerated in paragraph 25C.54 1(a) of the proposed programme budget. The related budgetary provision for supervision and management training amounts to $1,482,500 as stated in paragraph 25C.58 (c) of the proposed programme budget.

VIII.6. As indicated in paragraph 25C.53 of the proposed programme budget, the training activities mandated by the Assembly relate not only to regular budget but also to peace-keeping and extrabudgetary activities. In this connection, pursuant to Assembly resolution 47/71, a training programme was instituted in 1993 in respect of operational activities in the field; activities proposed for 1994-1995 are listed in paragraph 25C.54 1(b) of the proposed programme budget.

Section/unit/programme	Reclassification action	Paragraph reference in proposed programme budget
Section 25B		
Contributions Section	P-5 to D-1	25B.16
Office of the Director, Financial Management and Control Division	P-2 to P-3	25B.17
Systems Support Unit	P-2 to P-3	25B.23 (a)
Data Analysis and Systems Control Unit	P-5 to D-1	25B.33 (a)
Programme Planning and Budget Division	P-4 to P-5	25B.33 (b)
Section 25C		
Professional Staffing Service	P-5 to D-1	25C.32
Medical Service	P-4 to P-5	25C.66
Section 25E		
Planning and Meetings Servicing Section	P-5 to D-1	25E.48 (b)
Verbatim Reporting Section	P-5 to D-1	25E.48 (c)
Contractual Translation Unit	P-4 to P-5	25E.51 (b)
Production Control Unit, Reproduction Section	P-2 to P-3	25E.57 (b)
Section 25G		
Internal Audit Division	3 P-2 to P-3	25G.8 (b)
Section 25H		
General Accounts Unit, Financial Resources Management Service	P-3 to P-4	25H.14 (c)
Telecommunications Unit	P-3 to P-4	25H.23 (d)
Section 25I		
Finance Service	P-5 to D-1	25I.19

VIII.7. The Advisory Committee discussed training at some length with the head of the Office of Human Resources Management, who pointed out that the resources being requested represented approximately 0.5 per cent of total staff costs, an amount considerably lower than that allocated by UNDP and UNICEF to training. The Committee was further informed that the growth represented the first serious attempt of the Organization to improve its management capacity, and that the proposals represented what was considered feasible during the next biennium.

VIII.8. The Advisory Committee has consistently recognized the importance of training. That being said, however, the Committee regrets that the presentation of the proposed training programmes was not more comprehensive. In particular,

the Committee, noting for example that provision will continue to be made under peace-keeping budgets and other extrabudgetary sources for highly specialized training in some areas (see para. 25C.54 of the proposed programme budget), believes that an indication should have been given of the totality of resources to be devoted to training together with a breakdown of the means of financing. Although an attempt is made in paragraph 25C.58 of the proposed programme budget to provide a breakdown of the total estimated requirements according to broad categories of training (e.g. technical innovations/electronic-data-processing training, supervision and management training, upgrading of substantive skills, etc.), the Committee believes a more exhaustive breakdown should be provided. It is also unclear to the Committee whether the activities enumerated in paragraph 25C.54 of the proposed programme budget represent a programme that has been prepared on the basis of priorities and, if so, what those are.

VIII.9. In the circumstances, the Committee recommends that the Secretary-General submit a comprehensive report to the spring session of the Advisory Committee addressing the above-mentioned concerns. Pending the Committee's consideration of that report, the Committee recommends that the additional resources for training under section 25 be regarded as provisional, to be justified in the above-mentioned report of the Secretary-General.

VIII.10. The estimate for section 25 includes provision for travel related to Staff-Management Coordination Committee meetings (see para. 25C.46 of the proposed programme budget). In this connection, the Committee recalls that, by its resolution 46/185 B, section X, the General Assembly requested the Secretary-General to review the nature and level of regular budget funding of Staff Union activities and to report thereon to the Assembly at its forty-seventh session. Pursuant to that resolution, the Secretary-General submitted a report (A/C.5/47/59), which is to be considered by the Assembly at its forty-eighth session.

VIII.11. The estimate for the Office of General Services (section 25D) amounts to $232,179,900 and includes resource growth (at current rates) of $14.9 million. The estimate includes provision of $29.8 million for security and safety services; as shown in table 25D.8, that amount reflects (at current rates) resource growth of approximately $4.1 million, much of which relates to the salaries and common staff costs of security and safety staff as described in paragraph 25D.23 of the proposed programme budget.

VIII.12. The Advisory Committee has some concerns in regard to the growth of 17.6 per cent under security and safety services. Although representatives of the Secretary-General emphasized the need to tighten security measures, the Committee is not convinced that the problems have been addressed in the most coherent and well-thought out manner. In this connection, the Committee points out that the card access system, for which resources were previously approved, is still not operational. The Committee therefore trusts that efforts will be made to ensure the most economical and rational use of resources under this programme.

VIII.13. The Advisory Committee also believes that the feasibility of contracting out certain of these services should be studied. At the same time, the Committee recommends that the General Assembly request ICSC to examine the conditions of service of the security guards, including the question of the comparator used in determining those conditions.

VIII.14. Requirements for electronic support services under section 25D are estimated at $45.6 million, as shown in table 25D.10 of the proposed programme budget; this includes $6.8 million for the rental and maintenance of the mainframe computer as indicated in paragraph 25D.34 (a) of the proposed

programme budget. In this connection, the Advisory Committee believes that an evaluation should be undertaken to review the long-term policy implications of the growing introduction of personal computers and local area networks (LANs) in the Organization.

VIII.15. Requirements for the commercial, procurement and transportation services amount to $15.8 million (see table 25D.12). As indicated in paragraph 25D.38 of the proposed programme budget, the Purchase and Transportation Service is inter alia responsible for obtaining supplies, equipment and contractual services for Headquarters and certain overseas offices, such as the regional commissions, information centres, short-term missions and special conferences and peace-keeping missions.

VIII.16. The Advisory Committee discussed the performance indicators in paragraph 25D.39 with representatives of the Secretary-General and was provided with additional workload statistics that clearly demonstrate that the indicators contained in the proposed programme budget are misleading and do not demonstrate the amount of work actually undertaken by the Service. The Committee expresses its concern with regard to the apparent understaffing of the Purchase and Transportation Service, not only in numerical terms but also in terms of the necessary required management. The Committee therefore requests the Secretary-General to review the adequacy of the Service and to strengthen its management and control capacity, if this is found to be required, through the redeployment of resources.

VIII.17. The estimate of $136,041,800 for facilities management, maintenance and construction under section 25D includes resource growth (at current rates) of $9,098,400, the bulk of which ($6.6 million) relates to general operating expenses as outlined in paragraph 25D.53 of the proposed programme budget. As indicated therein, a part of that growth relates to the need of the restructured and new departments for additional office space and to the need to reconfigure office space. The Advisory Committee notes that the amounts involved are substantial and urges the Secretary-General to undertake only that work which is considered essential.

VIII.18. Requirements for the Supply Depot at Pisa are budgeted under section 4 of the proposed programme budget. The Advisory Committee recommends that the Secretary-General consider the advisability of transferring the operation of the warehouse facilities at Pisa to the Office of General Services.

VIII.19. Bearing in mind its observations concerning various programmes administered under section 25D, the Advisory Committee recommends that the estimate for this subsection be reduced by $5,179,900.

VIII.20. The estimate for Conference Services (section 25E), which provides for conference-servicing in New York, Geneva and Vienna, amounts to $448,173,300, as shown in tables 25E.1 and 2 of the proposed programme budget. As stated in paragraph 25E.2 of the proposed programme budget, the estimate includes provision for the conference-servicing requirements of ECE, UNCTAD and UNHCR, as well as the governing bodies of UNDP and UNICEF as subsidiary bodies of the Economic and Social Council. Provision for the conference service requirements at Nairobi and the headquarters of the other regional commissions are included in the respective budget sections for those entities.

VIII.21. Resource growth for section 25E amounts, at current rates, to $5,113,900, or a 1.2 per cent rate of growth. In this connection, the Committee notes the Secretary-General's statement in paragraph 25E.11 that "given the reduction in the 1992-1993 resource base for temporary assistance for meetings, as well as an amount of $977,500 relating to the redeployment of editorial

services from the Department of Political Affairs, the proposed growth rate of 1.2 per cent for conference services overall, and 1.9 per cent at Headquarters, is actually somewhat overstated". As also stated therein, most of the growth is attributable to an increase in temporary assistance for meetings as well as to the implementation of the technological innovations programme.

VIII.22. As shown in table 25E.2, the growth, at current rates, under staff costs amounts to $4,190,100. This amount is primarily attributable to the above-mentioned increase of $5,900,000 in temporary assistance for meetings (see para. 25E.31 (b) of the proposed programme budget) and the abolition of 19 of the 23 posts identified for redeployment during 1992-1993 in the context of the new treatment of vacancies (5 P-4, 3 P-3 and 11 P-2) (see paras. 25E.48 (a), 51 (a) and 57 of the proposed programme budget). With regard to the latter, the Committee notes the statement in paragraph 25E.9 that the new equipment proposed in the translation and editorial services will further increase productivity and offset the proposed reduction in the permanent capacity at Headquarters; during 1994-1995, efforts will be made to cope with the increasing workload through the more effective use of the resources and facilities available at the United Nations conference centres and working with the substantive and technical secretariats to ensure the most efficient utilization of resources.

VIII.23. The Advisory Committee does not agree to the abolition of the above-mentioned posts. It recommends that they be re-established without increasing the staffing table and requests the Secretary-General to report to the Fifth Committee on the implementation of this recommendation, including the potential impact on temporary assistance requirements for conference services.

VIII.24. The Advisory Committee is of the opinion that, without a significant improvement in the timeliness of the preparation of documentation by substantive departments, the addition of resources in this area will not in and of itself lead to a better provision of conference services.

VIII.25. The Committee believes that better cooperation and coordination with substantive and technical departments must be achieved and, in this connection, it urges management to enforce guidelines governing, inter alia, the submission of documents. The Committee was also informed that the Secretary-General has established two task forces to examine the entire question of documentation with a view to identifying documentation whose discontinuation might be proposed to the General Assembly.

VIII.26. As mentioned above, the continued application of technological innovations is expected to increase productivity further. Because of this, the Secretary-General notes in paragraph 25E.23 of the proposed programme budget, with regard to text processors and translators, that workload standards will therefore be kept under continuous review and adjustments proposed as and when necessary. In response to inquiries in this regard, the Committee was informed that the results of a review of workload standards would be communicated by the end of 1995.

VIII.27. As discussed in paragraph 25E.54 of the proposed programme budget, implementation of the automation programme in the internal printing facilities will also be continued in the 1994-1995 biennium, thereby leading to a better control of the production of documents. As recalled in paragraph 25E.53 of the proposed programme budget, publishing services were reorganized during 1992-1993 with responsibility divided among the Department of Public Information, the Office of General Services and the Office of Conference Services in the manner indicated. The Advisory Committee requests the Secretary-General to keep this arrangement under review so as to determine the effectiveness of this division.

VIII.28. As stated in paragraph 25E.103 of the proposed programme budget, pending agreement on the establishment of a unified conference service at Vienna under United Nations administration, the estimates for conference-servicing at Vienna are based on the assumption of continuing the current arrangements until the phasing in of a separate conference service within the United Nations Office at Vienna beginning during the last three months of 1995 and to be effective as from the 1996-1997 biennium. As also indicated therein, depending on further developments in this regard, the Secretary-General would submit revised estimates to the Assembly at its forty-ninth session as appropriate.

VIII.29. The estimate for section 25H, United Nations Office at Geneva, amounts to $114,595,800 and includes, at current rates, resource growth of $3,841,200, the bulk of which is attributable to general operating expenses (see table 25H.2).

VIII.30. The increase in general operating expenses is explained in paragraphs 25H.16 and 26 of the proposed programme budget. At its request, the Committee received additional information regarding the increases in rental of premises, which accounts for a large portion of the growth.

VIII.31. The Advisory Committee notes that an amount of $872,200 has been budgeted under this item to cover utilities, telephone lines and system operators and miscellaneous services in connection with the proposal regarding the use of office space at the Geneva Executive Centre. As stated in paragraph 25H.22 of the proposed programme budget, this provision, as well as $180,000 for general temporary assistance and overtime for security arrangements, has been included pending examination of the presentation on the situation of office accommodation at Geneva to the General Assembly in 1993 (A/C.5/48/29).

VIII.32. The estimate for the United Nations Office at Vienna (section 25I) amounts to $42,181,600 and includes resource growth of $3,022,200. Most of this is attributable to the creation of 31 new posts (6 Professional and 25 General Service), offset in part by a reduction in "Other expenditures" (see table 25I.2). The Advisory Committee recommends acceptance of these posts.

VIII.33. The increase in posts relates to the Secretary-General's proposal, (see paras. 25I.3-6 of the proposed programme budget) to undertake certain servicing functions previously performed by UNIDO in the areas of personnel, finance, general services and electronic data processing, thereby eliminating the need to reimburse UNIDO for the provision of those services under the object "Other expenditures".

VIII.34. The Advisory Committee was informed that the intention of the United Nations to undertake these functions was taken into account by UNIDO in the preparation of its budget and that, as of 1 January 1994, it will no longer, in view of reductions in staff and resources, have the capacity to offer these services to the United Nations.

VIII.35. The estimate for section 25J, Administration, Nairobi, amounts to $6,243,900. As stated in paragraph 25J.5, the review of the current arrangements at Nairobi, including the possibility of merging the administrative units, has not yet been finalized; pending the outcome of that review, the resources reflect the existing common and joint service arrangements at the United Nations Office at Nairobi.

PART IX. JOINTLY FINANCED ACTIVITIES AND SPECIAL EXPENSES

IX.1. Part IX of the proposed programme budget for 1994-1995 covers section 26, Jointly financed administrative activities, estimated at $27,050,300, consisting of ICSC ($11,097,100), JIU ($8,306,600), the Advisory Committee for the Coordination of Information Systems (ACCIS) (United Nations share) ($1,018,600), the Consultative Committee on Administrative Questions (CCAQ) (United Nations share) ($682,500) and the International Computing Centre (ICC) (United Nations share) ($5,945,500), and section 27, Special expenses ($37,664,300).

Section 26. Jointly financed administrative activities

IX.2. The Committee was informed that the present cost-sharing formula for jointly financed administrative activities is being reviewed and developed further. Having received additional information, the Committee recommends that the Secretary-General carry out an analysis of the rates of reimbursement, especially the criteria for cost-sharing, and submit his recommendations to the Advisory Committee in 1994.

IX.3. As regards the work programme and cost estimates of JIU, the Committee recalls its observations and recommendations in its report on JIU (A/47/755). The Committee further recalls General Assembly resolution 47/201, which invited JIU, in drawing up its preliminary work programme for 1994-1995, to reflect the recommendations of the Advisory Committee.

IX.4. The Committee recalls that ACCIS was established in 1983 by ACC in response to Economic and Social Council resolution 1982/71 to ensure the efficient operation of United Nations information systems for users at the national level and to enhance their capacity to collect, retrieve and disseminate information (see para. 26.38 of the proposed programme budget). The estimated costs for ACCIS (United Nations share) amount to $1,018,600 at 1994-1995 rates.

IX.5. Considering the major changes and developments in information systems and other modern technologies over recent years, the Committee recommends that the Secretary-General review the current work programme, delivery and progress of ACCIS, especially its impact on the efficient operation and further development of information systems in the United Nations system. The Committee is of the view that the time has come to evaluate the cost-effectiveness of ACCIS. The Committee therefore recommends that the Secretary-General submit an evaluation report on ACCIS to the Economic and Social Council for its review.

IX.6. In this connection, the Committee further requests the Secretary-General to review the implications of the continued use of ICC (United Nations share) ($5,945,500 at 1994-1995 rates), which was established in 1970, in the light of the recent developments and implementation of IMIS and taking into account the cost-effectiveness, potential and increasing use of minicomputers compared to large mainframe computer facilities.

Section 27. Special expenses

IX.7. According to table 27.3 of the proposed programme budget, the increase in the estimated after-service health insurance coverage from the revised 1992-1993 appropriation ($19.8 million) to the 1994-1995 estimates ($28.2 million) consists of a resource growth of 5.5 per cent and a recosting of 35 per cent. Upon inquiry, the Committee was informed that the number of participants in the

after-service health insurance scheme will increase from 4,226 in 1992 to 4,924 in 1995, or by 17 per cent. In this connection, the Secretary-General states that "the growth in the resources for the programme since the mid-1980s has been particularly marked, stemming from demographic phenomena and, predominantly, from the escalation of medical costs and insurance premiums" (see para. 27.3 of the proposed programme budget). The Committee expresses its concern about the rapid increase in costs of after-service health insurance coverage.

IX.8. The Committee notes that the provision of $20.9 million before recosting (table 27.3) is based on an assumption that 85 per cent of the total subsidy is attributable to the regular budget and 15 per cent to various extrabudgetary accounts (see para. 27.4 of the proposed programme budget) while the activities financed from the 1992-1993 regular budget amount to $2,364 million and extrabudgetary activities total $3,663 million, excluding total resources of UNDP ($3,139 million), UNFPA ($491 million), other subsidiary organs and peace-keeping operations (E/1993/84).

IX.9. In this connection, the Committee recalls that in 1991 it was informed that the implementation of IMIS would lead to a more exact identification of the extrabudgetary accounts which should bear a fair proportion of the costs of the after-service health insurance programme. The Committee therefore requested the Secretary-General in paragraph 34.14 of its report on the proposed programme budget for 1992-1993 to submit to it a report on this subject, including a simple but effective methodology for apportionment of the costs for after-service health insurance between the regular budget and the various extrabudgetary accounts.

IX.10. The Committee regrets that a full-fledged mechanism for charging extrabudgetary resources a fair share of after-service health insurance expenditures still needs to be developed and that the necessary database and relevant procedures are not available yet. In view of the substantial increase of extrabudgetary activities and taking into account that the last review of the after-service health insurance coverage took place 10 years ago, the Committee recommends that a comprehensive and thorough review of the after-service health insurance programme, including possible changes in current insurance plans and the share of premiums paid by retired staff, be carried out as a matter of priority, and that the Secretary-General submit his recommendations to the General Assembly.

IX.11. As indicated in paragraph 27.13 of the proposed programme budget, the estimated requirements for interorganizational security measures ($600,000 before recosting) relate to 20 per cent of the anticipated overall cost of life insurance coverage system-wide in 1994-1995 ($3 million). The Committee was informed that life insurance covers staff on official mission/travel, excluding personnel serving with peace-keeping operations.

IX.12. Upon inquiry, the Committee was informed that expenditures in 1992-1993 amounted to $2.5 million (United Nations share $500,000) for life insurance at hazardous duty stations and $500,000 (United Nations share, $100,000) for the Office of the United Nations Security Coordinator, totalling $3 million (United Nations share, $600,000); the costs are financed from the Account for Reimbursable Costs and the participating agencies are charged their respective shares. In this connection, the Committee was informed that, in addition to an appropriation of $118,700 by the General Assembly in 1992, the Secretary-General would require $200,000 in 1993 for interorganizational security measures under his commitment authority pursuant to General Assembly resolution 46/187.

IX.13. In view of the above and taking into account the current extensive activities in United Nations peace-keeping operations and frequent breaches of

security, the Committee is of the opinion that there is a need for a comprehensive review of the administrative, operational and budgetary aspects of interorganizational security measures and therefore requests the Secretary-General to submit a report and proposals on the matter.

IX.14. As indicated in paragraph 27.16 of the proposed programme budget, a provision of $5,491,900 before recosting is proposed to cover the estimated cost of agreed separations of staff anticipated during 1994-1995. The Committee points out that it was not provided with additional information that would substantiate the estimate for agreed separations. The Committee points out there are many variables in the calculation of separation payments. In view of the above and the fact that the number of possible agreed separations during the next biennium cannot be anticipated and bearing in mind that staff should be redeployed to the extent possible, the Committee recommends deletion of the provision of $5,800,500 at 1994-1995 rates (see table 27.8). Actual costs can be indicated under common staff costs in the first performance report on the 1994-1995 programme budget.

IX.15. The Committee further recommends that the Secretary-General make all efforts in redeploying and training staff for a new assignment before offering agreed separation with a view to using the expertise of long-serving staff and making economies. In this connection, the Committee recalls the Secretary-General's stated commitment in his statement on personnel items to the Fifth Committee that no staff member should lose his or her job as a result of the restructuring (see A/47/7/Add.15, para. 26).

PART X. STAFF ASSESSMENT

Section 28. Staff assessment

X.1. The Secretary-General has estimated the staff costs included in individual programmes on a net basis and has isolated the difference between gross and net salaries in this expenditure section.

X.2. As indicated in chapter I above, the recommendations made by ICSC with regard to a revised staff assessment scale would reduce the staff assessment income for the regular budget of the United Nations by $31.1 million for the biennium 1994-1995; the reduction in income would be offset by a corresponding reduction in this section of the budget.

X.3. The recommendations made by the Advisory Committee as to the number and grades of staff to be provided for under the expenditure budget for 1994-1995 entail a consequent decrease in staff assessment under section 28 amounting to $2,161,100.

PART XI. CAPITAL EXPENDITURES

Section 29. Technological innovations

XI.1. The Secretary-General's proposed budget estimates for 1994-1995, as indicated in table 29.1 of the proposed programme budget, total $19,096,100, comprising $13,687,400 for IMIS and $5,408,700 for the optical disc storage and retrieval system. The Advisory Committee does not, at this stage, object to the Secretary-General's proposals, but will assess the requirements in the context of its examination of the progress report of the Secretary-General on IMIS (A/C.5/48/12) at a later stage during the forty-eighth session of the Assembly. The Committee also intends to monitor progress on the optical disc storage and retrieval system.

Section 30. Construction, alteration, improvement and major maintenance

XI.2. As indicated in table 30.1 of the proposed programme budget for the biennium 1994-1995, total resources requested under this section are estimated at $72,707,600, consisting of provisions under construction ($17,241,900), alterations and improvements ($35,053,200), and major maintenance ($20,412,500).

XI.3. With regard to the construction of additional conference facilities at ESCAP, Bangkok, and ECA, Addis Ababa, the Committee notes that a single report on the two projects (A/C.5/48/30) is being submitted to the General Assembly at its forty-eighth session. In particular, the report describes progress in the implementation of the project at Addis Ababa, including developments regarding negotiations between the United Nations and the contractor.

XI.4. The Advisory Committee believes that the request for provision of $2,853,900 (see table 30.2) for equipment and related requirements for the installation of satellite Earth stations at various locations for the enhancement of the United Nations global telecommunications network is premature, given that the Secretary-General's proposals with regard to financing of a global telecommunications network for the United Nations system (A/C.5/48/11) have yet to be approved by the General Assembly. Accordingly the Committee does not recommend approval of this request, with a consequential provisional deletion of $2,853,900 from the estimates.

XI.5. For alterations and improvements in New York and Geneva, estimated amounts of $15,001,200, and $12,871,700 respectively have been requested; details in this regard have been indicated in paragraphs 30.13 and 30.14 of the proposed programme budget. The Committee believes that some of the projects enumerated in the paragraphs in question are very closely related and similar to those mentioned under major maintenance items in New York and Geneva. The Committee also believes that it is difficult to have an informed opinion of the projects vis-à-vis the resources requested, given that there seems to be overlap between some of the items within the two categories.

XI.6. In addition, in some cases the projects are already under way; for example with regard to the items under paragraph 30.13 (b) (iii) of the proposed programme budget, the Committee was informed that only 50 per cent of the resources indicated in the proposed programme budget document would be required, since implementation of the projects had been in progress during the current biennium.

XI.7. With regard to the proposed comprehensive study and development of a master plan for United Nations facilities in New York, the Advisory Committee reiterates its comments made in paragraph 35.14 of its report on the proposed programme budget for the biennium 1992-1993.

XI.8. With regard to projects such as replacement and modernization of the air-conditioning system in Geneva (see para. 30.14 (a) (i) of the proposed programme budget), the Advisory Committee trusts that the proposed system has dual application which includes heating capabilities.

XI.9. Bearing in mind its observations in the preceding paragraphs, the Committee believes that an amount of $23 million should be approved for alterations and improvements at New York and Geneva (combined), i.e. it recommends a reduction of $4,872,900 in the Secretary-General's 1994-1995 estimate.

XI.10. While not recommending reductions to the estimates for alterations and improvements in Vienna, Nairobi, ESCAP, ECLAC and ECA, the Committee trusts that every effort will be made to ensure that maximum economy is exercised without of course compromising efficiency and safety.

XI.11. As indicated in table 30.2 of the proposed programme budget, the provision for major maintenance in 1994-1995 for the seven duty stations amounts to $20,412,500. The Advisory Committee recommends acceptance of the Secretary-General's estimates for major maintenance at all these duty stations.

Income section 1. Income from staff assessment

IS1.1. The Secretary-General estimates $454,711,900 as the amount of staff assessment that will be levied under regulation 3.3 of the staff regulations of the United Nations on the salaries and emoluments of staff whose net pay has been included under the various expenditure sections and under income section 3. The amount levied and not otherwise disposed of by specific resolution of the General Assembly will be credited to the Tax Equalization Fund for distribution to Member States in the manner provided in General Assembly resolution 973 A (X) of 15 December 1955.

IS1.2. The total estimate under income section 1 is $6,515,000 more than the total estimate under section 28 since the former includes income from staff assessment derived from the emoluments of staff who are charged to revenue-producing activities under income section 3; on the other hand, the staff assessment paid to such staff is shown under income section 3 rather than under section 28.

IS1.3. As indicated in chapter I above, the recommendations of ICSC with regard to a revised staff assessment scale would reduce staff assessment income for the regular budget of the United Nations by $31.1 million for the biennium 1994-1995.

IS1.4. The staffing changes recommended by the Advisory Committee in the present report result in a consequent decrease of $2,161,100 in the amount of staff assessment income that will be realized in 1994-1995.

Income section 2. General income

IS2.1. As indicated in table IS2.2 of the proposed programme budget, the total estimated income for the biennium 1994-1995 amounts to $59,258,800, a decline of $36,400 compared to the estimates of the previous biennium. However, the Advisory Committee believes that the figures projected in the proposed programme budget will have to be revised because of factors that will affect both income and expenditure.

IS2.2. For example, with regard to paragraph IS2.2 of the proposed programme budget, the estimates under reimbursement for services provided to specialized agencies and others include the amount of $2 million to be earned from the telecommunications network; however, the Committee points out that the proposals contained in the Secretary-General's report (A/C.5/48/11) for the implementation of the project have not yet been approved by the General Assembly.

IS2.3. With regard to paragraph IS2.9 of the proposed programme budget relating to reimbursement by the specialized agencies of their share of the costs of JIU, the Committee was informed that recent developments in cost-sharing for JIU have resulted in changing the estimated amount of reimbursement to the United Nations to $5,011,500.

IS2.4. The Committee understands that forthcoming arrangements with regard to the operation of UNIDO and IAEA will also have an impact on estimates in this section of the proposed programme budget.

Income section 3. Services to the public

IS3.1. The estimate for 1994-1995 of $6,297,100 for income section 3 is the balance between estimated gross income from revenue-producing activities ($63,387,500) and the related estimated expenses ($57,090,400). As indicated in table IS3.1 of the proposed programme budget, the estimate of net revenue for 1994-1995 is $2,579,800 higher than the approved revised estimate for 1992-1993 of $3,717,300. However, the Advisory Committee believes that the estimates indicated in this section will be subject to change, given the recent interruptions and changes in some of the activities.

IS3.2. With regard to garage operation activities, including use and income-generation prospects, the Committee was informed that a comprehensive report on the subject would be made available by the spring of 1994.

IS3.3. As indicated in table IS3.36 of the proposed programme budget, estimates of gross and net revenue from services to visitors show a deficit in the 1992-1993 biennium for Headquarters as well as for Geneva and Vienna, with projected deficits for Headquarters and Vienna for the 1994-1995 biennium as well.

IS3.4. The Advisory Committee was informed that, notwithstanding the constraints presented by the unique layout of the Palais des Nations in Geneva and the general recession in tourism, fresh initiatives and ideas were being examined to promote services to visitors and address the deficits in Geneva and Vienna, while the services in New York, which had been recently interrupted, would be resumed shortly. The Committee welcomes these initiatives by the Secretary-General and believes that, although the services are carried out as a means of promoting an understanding of the Organization's work and purposes to the public, they should be designed and carried out so as to be self-supporting and cost-effective even if they are unable to generate a profit.

IS3.5. With regard to publications, the Advisory Committee recalls its comments in paragraph IS3.20 of its report on the proposed programme budget for the biennium 1992-1993. The Committee had urged a further effort to distinguish between different publications and the goals for which they were produced. For those publications that needed to be produced whether or not they were actually sold to the public the question of cost recovery was secondary. However, their continued publication should be reviewed periodically to determine their usefulness. On the other hand, if the intent was purely commercial, then a more selective market-oriented programme was necessary.

IS3.6. In this connection, the Advisory Committee trusts that the Secretary-General's report on the publications policy of the United Nations (A/C.5/48/10), which the Committee will examine at a later stage, addresses the overall concerns expressed in this regard by the Committee in its reports on past programme budgets, particularly those submitted to the General Assembly at its fortieth and forty-sixth sessions.